REPUBLIC OF GHANA

Mid-Year Fiscal Policy Review

of the
2021 Budget Statement
and Economic Policy

of the Government of Ghana

Presented to Parliament On Thursday, 29th July, 2021

By

Ken Ofori-Atta
Minister for Finance

On the Authority of

His Excellency Nana Addo Dankwa Akufo-Addo
President of the Republic of Ghana

In accordance with Section 28 of the
Public Financial Management Act, 2016 (Act 921)



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Observe the COVID-19 Health and Safety Protocols.

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THE
2021 MID-YEAR FISCAL POLICY REVIEW

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ACRONYMS AND ABBREVIATIONS

1D1F	One District One Factory
ABFA	Annual Budget Funding Amount
AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
AML	Anti-Money Laundering
AZ	AstraZeneca
BBL	Billion Barrels of oil
BDS	Business Development Services
BoG	Bank of Ghana
BoP	Business Operating Permit
CAP	Coronavirus Alleviation Programme
CAPBuSS	Coronavirus Alleviation Programme Business Support Scheme
CAPI	Carried and Participating Interest
CAR	Capital Adequacy Ratio
CARES	COVID-19 Alleviation and Revitalisation of Enterprises Support Programme
CLFZs	Child Labour Free Zones
CNTF	COVID-19 National Trust Fund
CWSA	Community Water and Sanitation Agency
DACF	District Assemblies Common Fund
DBG	Development Bank of Ghana
ECOWAS	Economic Community of West African States
EMDE	Emerging Market and Developing Economies
EPRP	Emergency Preparedness and Response Plan
ESG	Environmental, Social, and Governance
ESLA	Energy Sector Levies and Accounts
FAW	Fall Army Worm
FBO	Faith-Based Organisation
FDI	Foreign Direct Investment
FOB	Forward Operating Base
GACL	Ghana Airport Company Limited
GCAA	Ghana Civil Aviation Authority
GCPSFund	Ghana COVID-19 Private Sector Fund
GDP	Gross Domestic Product
GEA	Ghana Enterprises Agency
GETFund	Ghana Education Trust Fund
GHS	Ghana Health Service
GIFEC	Ghana Investment Fund for Electronic Communications
GIFMIS	Ghana Integrated Financial Management Information System
GIIF	Ghana Infrastructure Investment Fund
GIMPA	Ghana Institute of Management and Public Administration
GIPC	Ghana Investment Promotion Centre

GIR	Gross International Reserves
GNGC	Ghana National Gas Company
GNPC	Ghana National Petroleum Corporation
GNT	Ghana Negotiation Team
GoG	Government of Ghana
GPCL	Ghana Post Company Limited
GPFs	Ghana Petroleum Funds
GRA	Ghana Revenue Authority
GSA	Gas Sales Agreements
GSS	Ghana Statistical Service
GWCL	Ghana Water Company Limited
ICUMS	Integrated Customs Management System
IGF	Internally Generated Fund
IMCC	Inter-Ministerial Coordinating Committee
IMF	International Monetary Fund
IP	Industrial Parks
IPEP	Infrastructure for Poverty Eradication Programme
KACE	Kofi Annan Centre of Excellence
LAN	Local Area Network
LEAP	Livelihood Empowerment Against Poverty
M2+	Broad Money Supply
MASLOC	Micro Finance and Small Loans Centre
MDAs	Ministries Departments and Agencies
MDPI	Management Development and Productivity Institute
MMAs	Municipal and Metropolitan Assemblies
MMDAs	Metropolitan, Municipal and District Assemblies
MMDCEs	Metropolitan, Municipal and District Chief Executives
MMscf	Million Standard Cubic Feet
MMTL	Metro Mass Transit Limited
MoE	Ministry of Education
MoEn	Ministry of Energy
MoF	Ministry of Finance
MoH	Ministry of Health
MoRH	Ministry of Roads and Highways
MPC	Monetary Policy Committee
MPR	Monetary Policy Rate
MSDI	Ministry of Special Development Initiatives
MSMEs	Micro, Small and Medium-Sized Enterprises
NABCO	Nation Builders Corps
NCCE	National Commission for Civic Education
NEDCo	Northern Electricity Distribution Company
NEIP	National Entrepreneurship and Innovation Programme
NFA	Net Foreign Asset
NHIL	National Health Insurance Levy

NHMF	National Housing and Mortgage Finance
NIA	National Identification Authority
NPL	Non-Performing Loans
NVTI	National Vocational Training Institute
OHCS	Office of the Head of Civil Service
OHLGS	Office of the Head of Local Government Service
PFJ	Planting for Food and Jobs
PHC	Population and Housing Census
PPA	Power Purchase Agreement
PPE	Personal Protective Equipment
PPP	Public Private Partnerships
RFJ	Rearing for Food and Jobs
RGD	Registrar-General's Department
SEZ	Special Economic Zones
SOEs	State-Owned Enterprises
SSA	Sub-Saharan Africa
SSNIT	Social Security and National Insurance Trust
STC	Intercity STC Coaches Limited
TCF	Trillion Cubic Feet (TCF)
TEN	Tweneboa Enyenra Ntomme
TSDC	PSC Tema Shipyard and Dry-dock Company
UNCTAD	United Nations Conference on Trade and Development
VALCO	Volta Aluminium Company
VAT	Value Added Tax
WEO	World Economic Outlook
WHO	World Health Organisation

CHAPTER ONE: INTRODUCTION

1. Right Honourable Speaker, Honourable Members of Parliament, on the authority of His Excellency, President Nana Addo Dankwa Akufo-Addo, I beg to move that this august House approves the Mid-Year Fiscal Policy Review of the Budget Statement and Economic Policy of the Government of Ghana for the 2021 Financial Year, which I present today, 29th July 2021.

2. Mr. Speaker, I am performing this function in fulfilment of section 28 of the Public Financial Management Act, 2016 (Act 921).

3. Mr. Speaker, in December 2020, the people of Ghana renewed their confidence in the President for another four-year term. Let me take this opportunity to thank His Excellency the President for the confidence he retains in the Ministry of Finance Team, and for the privilege and opportunity to continue in this national service of managing the economy and our public finances for another four years. I also wish to extend my deepest gratitude to Hon. Osei Kyei-Mensah-Bonsu for the outstanding delivery of the 2021 Budget Statement and Economic Policy of Government in March.

4. Mr. Speaker, I want to personally thank you for your noble and wise leadership over this historically unique composition of this 8th Parliament and to assure you that Government will continue to work with you and this House to deliver on the priority needs of the people.

5. I recognise the historic nature of this second term, and as indicated at my vetting, I commit to ensuring the protection of the public purse and the transformation of the economy.

6. Mr. Speaker, it is my hope that the spirit of partnership that guided our work with the previous Parliament will continue to define our collaboration over this second term for the collective good of the nation.

7. Mr. Speaker, the devastating impact of the COVID-19 pandemic on the global economy is widely acknowledged. The COVID-19 induced global recession has been the deepest since the end of World War II. The global economy contracted by 3.3 percent in 2020, a 6.7 percent decline relative to the 3.4 percent growth forecast by the IMF back in October 2019. Growth in sub-Saharan Africa was -1.9 percent.

8. From the very first day that the novel coronavirus hit Ghana in March 2020, the Government of President Nana Addo Dankwa Akufo-Addo rightly anticipated the dire consequences it would have on our economy, particularly on jobs, and on our ability to raise revenues to meet both the cost of managing the pandemic and Government's regular spending obligations. If I may quote from the President's address on 27th March, 2020. He warned:

"Should the virus continue to linger for the rest of the year, the effects on our economy would be dire. However, as we have demonstrated over the course of the last three years, where we inherited an economy that was growing at 3.4percent and transformed it into one which has grown by an average of 7 percent over the last three (3) years, **I assure you that we know what to do to bring our economy back to life. What we do not know how to do is to bring people back to life. We will, therefore, protect people's lives, then their livelihoods."**

9. Mr. Speaker, therefore, the hardships that the COVID-19 pandemic visited on people's lives, the stress on parents, the frustrations of young people, the negative impact on businesses, for both employers and employees, the worsening of the unemployment situation, the effect on the public debt and the stress on revenue mobilization, was unprecedented. Indeed, no country in the world was prepared for the crisis that unfolded.

10. Leadership, was, therefore, assessed by the measures that individual countries and their respective leaders took to deal with the crisis. Here in Ghana, we took responsible, innovative, decisive and bold actions to respond to the crisis which has largely mitigated the adverse impact of the pandemic.

11. That is why, a year ago, on Thursday, 23rd July, 2020, I came before this House to present what I called "an extraordinary **Mid-Year Fiscal Policy Review of the 2020 Budget Statement and Economic Policy**", and secured more funds to provide an immediate and appropriate response to the severe health and economic impact of the pandemic. In addition, the **2021 Expenditure-in-Advance-of-Appropriation** presented to this House on 28th October, 2020 saw to the uninterrupted delivery of Government business in the first quarter of this year; and the on-going implementation of the **2021 Budget and Economic Policy** of Friday, 12th March, is driving the revitalisation of the economy in line with our theme of **Completion, Consolidation** and **Continuity**.

12. With these approvals, we intervened with timely measures to help, particularly, households, schools, hospitals and businesses withstand the impact of the pandemic. Government provided direct transfers to households through food distribution and absorption of water and electricity bills. Tax waivers to frontline health workers and stimulus packages to small and medium-scale enterprises were also provided.

13. Mr. Speaker, these interventions stabilised the situation, protected lives, supported businesses and preserved more jobs that would have otherwise been lost. In fact, although the workload from the public sector had to be reduced in some cases, all through this COVID crisis, Government has not embarked on any programme of laying-off workers. Rather, we have continued to pay all workers and even proceeded to employ more in some critical areas such as Security and Health services.

14. Mr. Speaker, let me use this opportunity to thank Organised Labour and Employers for their role in concluding wage negotiation with Government.

15. Mr. Speaker, as a result of our competent management of the crisis situation, the economy has outperformed its peers and rebounded faster than we envisaged. After recording negative growth in the second and third quarters of 2020, the economy rebounded strongly in the last quarter of the year and well into the first quarter of 2021.

16. The Ghana Statistical Service reports that overall GDP growth for first quarter 2021 was 3.1 percent. The growth was even better excluding oil at 4.6 percent. The Bank of Ghana Composite Index of Economic Activity (CIEA) attest to the strong recovery, with the index growing at 33.1 percent at the end of May 2021 compared to a contraction of 10.23 percent at the end of May 2020.

17. Mr. Speaker, on inflation, we are witnessing one of the lowest numbers on record in about two years. Inflation, which, at the height of the pandemic, hovered around 11.8 percent, dropped to 7.5 percent in May 2021 before inching up slightly to 7.8 percent in June. The Bank of Ghana will continue to implement appropriate monetary policy to maintain inflation rate within the target of 8 percent ± 2.

18. The cedi has been relatively stable in the past four years, and maintained its stability even in this pandemic year. For the first time in the Fourth Republic, the exchange rate did not see a spike after an election year. Cumulatively, from the beginning of the year to date, the exchange rate has depreciated by 0.6 percent against the US Dollar and appreciating by 3.6 percent against the Euro. This stability is expected to continue as we move towards the close of the year.

19. The relatively strong performance of the external sector led to an increase in the reserves position to US$11.0 billion, equivalent to 5.0 months of imports, one of the highest on record. This compares well with a reserved position of US$9.2 billion, equivalent to 4.3 months imports cover, in the corresponding period last year.

20. Mr. Speaker, we are managing the finances of the country with discipline and competence. The fiscal operations for the period January to June 2021 indicate that the overall budget deficit was GH¢22.32 billion, equivalent to 5.1 percent of GDP. The corresponding primary balance for the period was a deficit of GH¢7.3 billion, equivalent to 1.7 percent of GDP, against a target deficit of GH¢4.80 billion or 1.1percent of GDP.

21. We will continue to pursue our fiscal consolidation agenda to ensure that we remain within the appropriation given by this House.

22. Mr. Speaker, the provisional nominal debt stock as at end-June 2021 stood at GH¢334.56 billion (US$58.04 billion), representing 77.1 percent of GDP. This was up from GH¢291.6 billion (US$50.8 billion) at the end of December 2020.

This stock included the financial and energy sector bailouts. Excluding the Financial Sector Bailout, the nominal debt stock as percentage of GDP falls to 72.9 percent. The increase in the debt stock was mainly because of the Eurobond issuance in April 2021, COVID-19 pandemic effect, contingent liabilities, and front-loading of financing to meet cash flow requirements for the first half of the year.

23. Mr. Speaker, I would like to note that notwithstanding our elevated debt levels as a result of COVID-19, our inflation rate is lower than it was in 2016, our interest rates are lower than they were in 2016, our exchange rate is more stable than it was in 2016, our foreign exchange reserves are much higher than they were in 2016, and we did not have to lay off any workers, nor cancel teacher and nursing training allowance. Furthermore, we did not go to the IMF for a bailout programme. This is because we have managed the economy much better than it was managed up to 2016.

24. On the back of these and other deliberate policies, our country has attracted more foreign direct investments in the midst of the pandemic. As of end-June 2021, total FDI into the country was valued at US$954.2 million, indicating an increase of 71.2 percent from US$ 557.2 million recorded over the same period last year.

25. Mr. Speaker, the strong rebound in growth, the low inflation rates, the stable currency, the strong reserve position and FDI flows are clear indicators of economic recovery. Indeed, the strategic investments we collectively made in building strong economic fundamentals in the three years prior to this pandemic as well as the subsequent speed, scope and scale of our socio-economic response to the pandemic is fueling our recovery.

26. Mr. Speaker, I stand before this august House today to assure the nation that our transformational agenda is very much on course. However, with COVID-19 still with us, it is important to stress that this recovery is only the beginning; a beginning that requires our collective sense of responsibility and action as citizens to guide, protect and participate.

27. Mr. Speaker, this Mid-Year Fiscal Policy Review that I am presenting does not come with a supplementary budget, and our revised fiscal framework for 2021 is kept within the fiscal target of 9.5 percent of GDP. We are staying within the 2021 Appropriation.

28. I am here today, respectfully, Mr. Speaker, not to ask for more money, not to ask for more taxes, but, simply, to update you on the performance of the economy for the first half-year of 2021 and our plans for the unexpired term of the year, consistent with section 28 of the PFM Act.

29. One of the serious impacts of the COVID-19 pandemic has been the loss of jobs, which has exacerbated the unemployment problem, particularly among the youth. As such, Government is coming out with a clear and comprehensive

programme to address this problem. A programme that will seek to create employment opportunities for a million of our young people over the next three and half years. We will count on the support of this august House.

30. With our digitalisation initiatives, we are building a robust framework to expand Domestic Revenue Mobilisation to focus on compliance and enforcement. To this end, we have established the **Revenue Assurance and Compliance Enforcement (RACE)**. The remit of RACE is to identify and eliminate revenue leakages while reinforcing the culture of compliance nationwide.

31. Mr. Speaker, I will now present an assessment of the programmes we have and continue to implement in line with our strategy for **Completion, Consolidation and Continuity** which is the theme for the 2021 Budget and Economic Policy. These programmes address the concerns of our fellow Ghanaians, especially our youth and demonstrate our commitment to create sustainable opportunities for all.

32. Mr. Speaker, in fulfilment of our **Completion** pledge, we have completed a number of projects and activities including but not limited to:
- the Four-Tier interchange at Pokuase, the first of its kind in West Africa, to ease travel constraints and enhance our productivity;
- the 85-bed Central Gonja District Hospital, located in Buipe, to improve access to quality healthcare;
- key strategic factories to provide jobs and accelerate our industrialisation agenda, including the;
    - new factory of Premium Foods Limited, at Ejisu in the Ashanti Region, one of the leading agribusinesses in Ghana;
    - Nano Foods Limited, a pineapple juice processing factory at Nsawam;
    - Phase I of B5 Plus steel plant in Larpleku in Ningo-Prampram, which when fully completed will become the biggest steel factory in West Africa;
    - Toyota Tsusho Vehicle Assembly Plant, in Tema;
- the removal of Ghana from the Financial Action Task Force (FATF) gray-list which has enhanced access to global markets and finance for our businesses; and
- the signing of seven (7) Implementation Compacts under the Ghana CARES "Obaatan Pa" Programme.

33. Mr. Speaker, towards **Consolidating** the gains made, we have, amongst others:
- pursued prudent macro-fiscal policies that puts us back on track to restore economic stability and growth;
- fostered a resilient financial ecosystem, under Ghana CARES by establishing the building blocks for stronger and catalytic collaboration between institutions such as Ghana Incentive-based and Risk Sharing Scheme for Agricultural Lending (GIRSAL), Ghana Commodity Exchange (GCX), Venture Capital Trust Fund (VCTF) and the restructured Ghana Enterprises Agency (formerly NBSSI) to anchor a new age of

entrepreneurship, job creation and wealth building for our post-COVID transformation;
- issued the historic foreign currency-denominated zero-coupon bond in our financing mix, thus creating the fiscal space to build our financial resilience; and
- revamped the energy sector to further stabilise electricity supply for households and businesses.

34. Mr. Speaker, our pledge on **Continuity** has also driven us to:
- Continue to implement the Phase II of the Ghana CARES "Obaatan Pa" Programme to revitalise our economy, after a successful execution of the Stabilization measures in Phase I;
- Continue to implement our key flagship programmes, including Free SHS, PFJ, 1D1F among others to enhance the quality of life of our people and further advance our transformation agenda; and
- Continued our Environmental Agenda by embarking on a war against illegal mining (galamsey) to preserve our water bodies and protect the environment.

35. Mr. Speaker, in addition to the above, we have continued to provide the needed resources, equipment and personnel to maintain security and peace within our borders. We are on course to transform the security services to enable them to adequately respond to emerging national and sub-regional threats.

36. In line with Government's agenda to enhance our global stature, Ghana placed a bid and was elected as a non- permanent member of the United Nations Security Council for the 2022-2023 term. Additionally, H.E. The President was also elected unanimously for a second term as Chairman of the Authority of Heads of State and Government of the Economic Community of West African States (ECOWAS).

37. As a result of the increased international visibility and the exemplary leadership of the President during this pandemic, Government has been able to procure and administer 1,271,393 doses of COVID-19 vaccines. This has resulted in 405,971 people being fully vaccinated while 865,422 people were yet to be administered with the second dose, as at the end of June this year.

38. Mr. Speaker, diplomatic efforts are yielding results and we are expecting to receive, through the COVAX facility, one million Pfizer vaccines from the United States of America, 229,670 Pfizer vaccines from the African Union, and 249,000 AstraZeneca vaccines from the United Kingdom.

39. Government will continue to be relentless in securing the needed additional quantities of vaccines to enable us achieve herd immunity. To this end, we are sustaining efforts under the African Medicine Supply Platform to secure 17 million Johnson & Johnson vaccines to protect our people and ensure that they engage in economic and social activities in good health, confidence and hope.

40. Mr. Speaker, the additional policies and strategies outlined in the Gh¢100 billion Ghana CARES "Obaatan Pa" Programme will be vital in our journey towards economic recovery and transformation. Our strategy to place the private sector at the heart of this endeavour is to accelerate competitive import substitution and export expansion to generate sustainable jobs for our teeming youth (under 35 years), which constitutes about 71percent of the population.

41. Mr. Speaker, we will confront the unemployment situation aggressively. Indeed, it is an issue that will be at the forefront of our national discourse. The future of our young people and their livelihoods are of utmost importance to us as a nation and we will not allow ourselves to be distracted. It requires urgent action and the President has directed that we implement programmes and projects to address it. We must refocus the attention of the nation to this matter. It is integral to our destiny.

42. Mr. Speaker, over the course of this year, like many of my colleagues in Government, I have travelled around the country, engaged with the people, especially young people. We have listened to them and heard their concerns. Eight (8) weeks ago, I visited Tamale and Sunyani and interacted with thousands of our young people, drawn from various universities and tertiary institutions as part of the "Springboard Foundation" programme. I also participated in both the Accra "Springboard" and NUGS Annual Leadership Training programmes.

43. These interactions provided me with yet another opportunity to experience at first hand, the expectations and aspirations of our young people and Government is addressing them with the urgency they deserve.

44. In connection with that, I have had extensive discussions with my colleague Ministers of Employment & Labour Relations, Youth & Sports and Lands & Natural Resources. These conversations culminated in a comprehensive strategy to sustainably address youth unemployment. New programmes will be introduced and existing ones scaled-up and refocused to meet the aspirations of our youth.

45. We will work together to sensitize and connect the youth to the numerous opportunities being made available by Government programmes, including a 3-year strategy to create job opportunities for 1 million Ghanaian youth. There are currently about 5 on-going programmes including YouBanC product.

46. Mr. Speaker, the good people of Ghana have given us another four-year mandate to manage the country, mitigate the impact of COVID-19 and pursue our transformational agenda of equal opportunities and prosperity for all. We are in the 7th month of the journey and executing the mandate with diligence, integrity and faith. Whilst we acknowledge that there are still challenges, our performance over the past four years for which the President was given another overwhelming victory should give hope that we will deliver on the mandate:

- We will continue to deliver on the mandate to protect lives and livelihoods;
- We will continue to deliver on the mandate to reverse the devastating impact of COVID-19 and return the country to the pre-COVID growth trajectory;
- We will continue to deliver on the mandate to transform lives through education and major social policies including Free SHS and school feeding;
- We will continue to deliver the mandate to create job opportunities for our young people; and
- We will continue to deliver on the mandate to transform the country and ensure that we support enterprises to expand and create jobs and improve incomes.

47. I will therefore call on this august House to join in implementing the well thought out policies and programmes in all the sectors. Let us join hands to build a more inclusive, confident and hopeful society. COVID-19 has caused enough havoc, but we are resilient and confident people and should not allow ourselves to only focus on the negatives.

48. As 2 Timothy 1:7 tells us, "For the Spirit God gave us does not make us timid, but gives us power, love and self-discipline". We should have courage, hope, and resolve to work hard and expect that the Almighty God whom most of us believe and serve will look kindly on us and bless the work of our hands.

49. Mr. Speaker, I now proceed to give details of developments for the first half-year of 2021 and will conclude with the outlook for the rest of the year

.

CHAPTER TWO: OVERVIEW OF RECENT MACROECONOMIC DEVELOPMENTS

2.1 Summary of Global Economic Developments and Outlook

Growth

50. Mr. Speaker, although the world economy is recovering from the deepest recession since World War II (World Bank 2020a), growth remains uneven across Advanced Economies and Emerging Market and Developing Economies (EMDEs). According to the April 2021 World Economic Outlook (WEO) update, the global economy is projected to grow at 6.0 percent in 2021, before declining to 4.4 percent in 2022 as shown in Table 1. Forecasts indicate that growth in 2021 will be concentrated in Advanced Economies (5.1 percent) and the EURO area (4.4 percent), reflecting supportive macroeconomic policies and access to vaccines to combat the COVID-19 disease. Growth in Advanced Economies is, however, expected to moderate slightly to 3.6 percent in the year 2022.

Table 1: Summary of World Output

No.	Item	2020	2021		2022
			Oct 2020 Proj	April 2021 Proj	April 2021 Proj
1	Global GDP Growth	-3.3	-4.4	6.0	4.4
2	SSA GDP Growth	-1.9	-3.0	3.4	4.0
3	ECOWAS GDP Growth	-0.7	-2.5	3.5	3.8

Source: IMF World Economic Outlook (Various Issues)

51. Economic recovery in most Emerging Market and Developing Economies is expected to slow down, mainly due to vaccination disruptions. Nonetheless, economic performance in EMDEs is expected to improve from the 2.2 percent contraction in 2020 to 6.7 percent growth in 2021.

52. Economies in Sub-Saharan Africa have been negatively impacted by the pandemic, particularly oil-exporting economies, tourism-dependent economies, and other natural resource-dependent countries. Africa's GDP is expected to grow by 3.4 percent in 2021, a vast improvement from the contraction of 1.9 percent in 2020, with major sectors projected to recover from the pandemic effects. According to the African Development Bank's latest African Economic Outlook 2021 (AEO) report, tourism-dependent economies are expected to grow by 6.2 percent in 2021 from a 11.5 percent GDP decline in 2020; oil-exporting countries from a 1.5 percent decline to a 3.1 percent growth; and other resource-intensive economies from a 4.7 percent decline to a 3.1 percent growth.

53. The global outlook is, however, uncertain considering the emergence of new and more deadly COVID-19 variants in some parts of the world. Increasing debt

burden across regions resulting from expansionary fiscal policy also pose potential vulnerabilities to financial systems that can lead to higher inflation rates, high interest rates, exchange rate fluctuations, and monetary tightening.

54. Mr. Speaker, in view of the devastating effects of the pandemic, policy priorities need to be reassessed to ensure Ghana's transformation to a more resilient and inclusive economy. Key policy response should be focused on mitigating household and firm liquidity constraints, as well as financial and banking distress. Policy priorities should also focus on support for the health sector, expanding social safety nets, addressing increasing poverty, and intensifying digitalisation.

Commodity Prices

55. Commodity prices have continued to recover since mid-2020 to Quarter 2/2021, with about 80 percent of the prices of commodities rising above pre-pandemic levels. The recovery has mainly been driven by optimistic global outlook, monetary and fiscal stimulus in Advanced Economies, and increasing vaccination rates.

56. The July 2021 edition of the World Bank Commodity Price Data (WBCPD) projects an increase in average crude oil prices to US$71.0 per barrel for June 2021 from the realised price of US$59.3 per barrel in January 2021.

57. Gold price averaged US$1,835 per troy oz in June 2021 from US$1,798 per troy oz. recorded in January 2021, and is expected to remain stable through end-December 2021.

58. Average price for cocoa beans settled around US$2,366 per tonne in June 2021, compared to the US$2,407 per tonne recorded in December 2020. Cocoa prices are projected to remain at current levels in the second half of 2021 and 2022, as the global market is expected to be adequately supplied.

Inflation

59. Mr. Speaker, according to the World Bank's June 2021 Global Economic Prospects publication, the COVID-19 pandemic plunged the global economy into its deepest recession since the Second World War. Amidst global economic downturn and falling oil prices, global consumer price inflation declined by 0.9 percentage point between January 2020 and May 2020. This decline was more prevalent in the Advanced Economies than in Emerging Market and Developing Economies (EMDEs).

60. However, since May 2020, inflation has gradually picked up. Global inflation had risen above pre-pandemic levels by April 2021 in both Advanced Economies and EMDEs, on the back of the global economic rebound, surging crude oil prices, and accommodative monetary policy across regions. For Advanced Economies, inflation is expected to rise to 1.8 percent in 2021 (from 0.5 percent in 2020), while inflation in EMDEs is projected to rise to 4.6 percent in 2021 (from 3.1 percent in 2020).

African Continental Free Trade Area (AfCFTA)

61. Mr. Speaker, Ghana continues to support the implementation of the African Union Continental Free Trade Area (AfCFTA) initiative which aims at accelerating intra-African trade and boosting Africa's trading position in the global market. Through its Secretariat located here in Accra, and the cooperation of African Union member states, the AfCFTA has successfully completed Phase 1 negotiations, with negotiations for Phase 2 on-going as indicated below:

- **Phase 1 Negotiations**:
  - Protocol on Trade in Goods;
  - Protocol on Trade in Services; and
  - Protocol on Rules and Procedures for Settlement of Disputes.

- **Phase 2 Negotiations**:
  - Protocol on Competition Policy;
  - Protocol on Intellectual Property Rights; and
  - Protocol on Investments.

62. Mr. Speaker, 54 Member States have signed and 40 Member States have ratified the Agreement as at July 2021, while the Seychelles, Democratic Republic of Congo, and Burundi have expressed optimism to join by September 2021. A number of 41 Countries have submitted tariff offers and 33 State Parties and non-State Parties have submitted their initial offers to the AfCFTA Secretariat.

63. Looking forward, there is the need to engage private sector actors and educate them on peculiar issues such as customs procedures, clearance of goods, and transportation, among others. Much collaboration is needed to spur up sensitisation of AfCFTA activities.

IMF SDR Allocation

64. Mr. Speaker, as part of measures to mitigate the impact of the COVID-19 pandemic on lives and livelihoods and reduce the debt burden of countries especially that of emerging and developing economies, the IMF agreed for the general allocation of $650 billion in SDRs, which was formally adopted by in the IMF's Executive Board in June 2021. The International Monetary Fund (IMF)'s will later in the year present the new SDR allocation proposal to the IMF's Board of Governors for their consideration and approval.

65. A direct allocation of $33 billion in SDRs has been earmarked for Africa with some $24 billion for sub-Saharan Africa, which is expected to reach the countries concerned in September 2021. The African Finance Ministers and key stakeholders are advocating for an increased allocation given the severity of the impact of the pandemic on African economies, the huge financing requirements facing the continent and the large deficit in vaccine acquisition. Mr. Speaker, we will continue to engage the IMF on the new SDRs allocation and update the House in due course.

Developments in the ECOWAS Sub-Region

66. Mr. Speaker, at the 59th Ordinary Session of the Authority of Heads of State and Government of the Economic Community of West African States (ECOWAS) held in Accra on 19th June, 2021, H.E. Nana Addo Dankwa Akufo-Addo, President of the Republic of Ghana, was re-appointed as Chairman of the Authority of Heads of State and Government for another one-year term.

67. In line with the decisions taken by the Authority of Heads of State and Government during its Extraordinary Session held on 2nd February, 2021 on Institutional reforms, H.E. Nana Addo Dankwa Akufo-Addo, Chair of the Authority, submitted his report on reflections on the optimal structure and size of the Commission and Institutions, as part of efforts to further streamline ECOWAS operating costs.

68. The Authority reiterated its commitment to the objectives of improved performance and operational efficiency of ECOWAS Institutions and adopted 7-Member Commissioner positions as the new size of the Commission, beginning March 2022. The Authority mandated H.E. Nana Addo Dankwa Akufo-Addo to continue with his efforts relating to the allocation of statutory positions and streamlining operational costs in ECOWAS Institutions.

69. Mr. Speaker, on the ECOWAS Monetary Corporation Programme (EMCP), the Authority endorsed a revised Convergence and Macroeconomic Stability Pact between ECOWAS Member States, with the convergence phase covering the period from 2022 to 2026 and the stability phase from 1st January 2027. The Authority also took note of the new roadmap for the launch of the ECO by 2027 and charged the Ministerial Committee to continue to work to resolve all outstanding issues.

70. Mr. Speaker, data from the ECOWAS Early warning Centre indicate an increase in terrorist attacks in the region. Most of the major attacks and deaths were recorded in neighbouring Nigeria, Mali, Niger, and Burkina Faso. There has been a total of 671 armed incidents committed by terrorists or their supporters in the region from January to May 2021, resulting in 2,846 deaths. These attacks occurred despite intense efforts by the countries concerned to curb and prevent terrorists and other armed groups from operating freely.

71. The Authority, at its 59th Session held in Accra considered the deteriorating security situation in the region and reaffirmed its determination to relentlessly combat the menace of terrorism and strongly condemned the recurrence of terrorist attacks in frontline countries, namely Burkina Faso, Mali, Niger, and Nigeria.

72. Mr. Speaker, the Coronavirus pandemic has been a global tragedy affecting business and livelihood on the continent. The uncertainty surrounding the third wave persists as most countries still rely on the COVID-19 Vaccines Global Access (COVAX) channel for vaccine supplies. Considering that crisis-related financing is essential to the recovery, the baseline projection for sub-Saharan

Africa assumed continued support from the international community and a swift normalisation of private inflows of funds. The African Development Bank Group (AfDB) is thus launching a facility to support African countries, including member countries of the ECOWAS region, to address the challenges of the COVID-19 pandemic. The AfDB is also supporting the West Africa Health Organisation (WAHO) with US$22 million to address the health challenges of the region.

2.2 Update on Domestic Macroeconomic Development in 2021

Update on IMF Article IV Consultations

73. Mr. Speaker, as part of the obligations of International Monetary Fund (IMF) Member countries, Ghana hosted an IMF mission led by Carlo Sdralevich which held virtual consultations with Ghana under the IMF's Article IV consultations from April 28 – May 12, 2021. Following the successful completion of the mission, the Executive Board of the IMF concluded the Article IV consultation with Ghana on July 19, 2021.

74. Mr. Speaker, The Fund observed that Ghana had managed the COVID-19 pandemic effectively, noted that the economy is rebounding, supported by a strong policy response, and acknowledged the effort Ghana had made in improving the AML/CFT framework which has allowed Ghana to exit the Financial Action Task Force (FAFTF) "grey list". They also observed that the monetary policy stance remains broadly appropriate. The Fund called for a deeper and more equitable fiscal effort to address the debt vulnerabilities exacerbated by the pandemic and emphasised the need to limit monetary financing of the deficit to strengthen the inflation targeting framework.

75. Mr. Speaker, our strategy to pursue fiscal consolidation measures, rationalise and fast-track the implementation of key flagship growth-oriented and job-creating programmes and the Ghana CARES "Obaatan Pa" will support macroeconomic stability and economic expansion and catalyse the recovery process.

Macroeconomic Performance for January - June, 2021

76. Mr. Speaker, since we provided the macroeconomic performance for 2020 in the 2021 Budget submitted to this august House in March, 2021, I will provide an update on the performance of the economy for the first half-year of 2021. To put the performance of the economy for the first two quarters of the year in context, I will restate the macroeconomic targets that were set for 2021.

77. Mr. Speaker, the 2021 macroeconomic targets as set in the 2021 Budget Statement are:

- overall Real GDP growth of at least 5.0 percent;
- non-Oil Real GDP growth of at least 6.7 percent;
- end-period inflation of 8.0 percent;
- fiscal deficit of 9.5 percent of GDP;
- primary deficit of 1.3 percent of GDP; and

- Gross International Reserves to cover not less than 4.0 months of imports of goods and services.

Growth Performance in 2021 Q1

78. Mr. Speaker after growing at 0.4 percent in 2020, reflecting the impact of the COVID-19 pandemic, the economy picked up strongly in Q1-2021 reflecting the impact of the Covd-19 containment measures and recovery interventions Government has been implementing since COVID-19 broke out in March 2020. Mr. Speaker, provisional Q1-2021 National Accounts Statistics published by Ghana Statistical Service (GSS) in June 2021 shows that the overall real GDP growth for Q1-2021 was 3.1 percent (Table 2). This shows a continuous recovery momentum from the pandemic from Q4-2020 when the economy grew by 3.3 percent after it contracted by 5.7 percent in Q2-2020 and 3.2 percent in Q3-2020. Non-oil GDP equally picked up strongly in Q1-2021 growing at 4.6 percent up from the Q4-2020 growth of 4.0 percent.

Table 2: Quarterly Year-on-Year GDP Growth (Percent), 2020Q1-2021Q2

No.	Item	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1
1	Overall Real GDP	7.0	-5.7	-3.2	3.3	3.1
2	Non-Oil Real GDP	7.9	-5.8	-3.0	4.0	4.6

Source: GSS

79. The real sector recovery is supported by recent data on Bank of Ghana's Composite Index of Economic Activity (CIEA), which registered strong annual growth of 33.1 percent in May 2021, compared to a contraction of 10.2 percent in the corresponding period of 2020. The key drivers of economic activity during the period include a base drift effect, improvement in industrial production, domestic consumption, pick-up in import activities, steady rise in construction activities, and a rise in air-passenger arrivals.

80. The Agriculture sector continued its robust performance and recorded the highest growth of 4.3 percent, followed by the Services Sector and the Industry sector, which expanded by 4.0 percent and 1.3 percent, respectively. For the same period in 2020, the Agriculture sector, Services sector, and the Industry sector recorded growth rates of 10.2 percent, 12.3 percent, and 1.4 percent, respectively.

81. The main drivers of growth in the Agriculture Sector were the Livestock and the Crops sub-sectors, which expanded by 5.5 percent and 4.9 percent, respectively. The Fishing sub-sector, however, witnessed a contraction of 3.6 percent for the period. The growth performance in the Services sector was spearheaded by the Information and Communication sub-sector which recorded a healthy growth rate of 22.1 percent, while Industry sector growth was powered by the Construction and Manufacturing sub-sectors, which grew by 14.2 percent and 6.1 percent, respectively.

Price Developments

82. Headline inflation has been trending downwards in 2021, staying closer to the central path target of 8 percent for the first time since the onset of the COVID-19 pandemic. Headline inflation declined marginally from 10.4 percent in December 2020 to 10.3 percent in March 2021 before falling sharply to 7.5 in May 2021 and then increased marginally to 7.8 percent in June 2021. The decline in headline inflation was on account of base-drift effects from the waning of pandemic-induced food price shocks and stability on the exchange rate front. Food inflation eased sharply from 14.1 percent in December 2020 to 7.3 percent June 2021. Non-food inflation, on the other hand, rose from 7.7 percent in December 2021 to 8.2 percent in June 2021. The uptick in non-food inflation in the year could be attributed to the recorded higher inflation for rent and rising ex-pump prices of petroleum products following the recovery in crude oil prices.

83. In line with the decline in headline inflation, underlying inflation, measured by core inflation also continued to trend downwards. The Bank's main measure of core inflation, which excludes energy and utilities prices, remained steady at 10.9 percent in December 2020 before decelerating sharply to 7.5 percent in June 2021. However, the measures of inflation expectations firmed up in April as the implementation of tax measures and increase in ex-pump prices affected the price outlook of economic agents in the recent round of the survey.

84. In the outlook, headline inflation is projected to remain within the medium-term target band of 8±2 percent, supported by easing food price pressures, base-drift effects, relative stability of the exchange rate, and well-anchored inflation expectations. The Bank of Ghana will continue to pursue prudent policies to safeguard this favourable low inflation environment. In the medium-term (2022-2025), inflation is expected to edge downward to an average of 7.8 percent, supported by relatively stable exchange rate and slower money supply growth.

Monetary and Interest Rates Developments

85. Developments in monetary aggregates in June 2021 showed significant growth in broad money supply (M2+) of 21.3 percent against 20.3 percent for the same period in 2020. The growth in M2+ is largely driven by considerable growth in the Net Domestic Assets (NDA) of the banking sector of 22.8 percent and a relatively moderate growth in Net Foreign Asset (NFA) of the depository sector of 16.0 percent. The expansion in the monetary aggregates largely reflects the lingering effects of the fiscal stimulus programmes and complementary monetary policy measures implemented during 2020 to mitigate the adverse impact of the COVID-19 pandemic.

86. Similarly, reserve money expanded significantly, reinforced by considerable increase in the NDA of Bank of Ghana. The Net Foreign Assets (NFA) of the Bank of Ghana also increased, reflecting the net expansion in foreign reserves on account of proceeds from the Eurobond issuance early in the year. Reserve money increased by 41.2 percent in June 2021 compared with the 16.6 percent

recorded in the corresponding period of 2020. The high growth in reserve money largely reflected a net build-up in foreign reserves, higher purchases of cocoa, as well as the lingering impact of the COVID-19-related fiscal stimulus of 2020.

87. Developments in private sector credit broadly indicate a sluggish pace of growth, largely reflecting increased bank aversion to the uncertainties associated with the COVID-19 pandemic and constrained demand. Annual nominal growth in private sector credit slowed to 6.8 percent in June 2021 compared with 14.2 percent in June 2020. It, however, improved relative to the growth of 4.8 percent recorded in March 2021. In real terms, private sector credit contracted marginally by 1.0 percent compared with a growth of 2.7 percent recorded over the same period in 2020.

88. Developments in interest rates broadly showed downward trends for short-dated instruments but mix trends for medium to long-dated instruments. The 91-day and 182-day Treasury bill rates respectively declined to 12.65 percent and 13.40 percent in June 2021 from 13.97 percent and 14.05 percent in June 2020. Similarly, the rate on the 364-day instrument decreased marginally to 16.34 percent from 16.87 percent over the same period in 2020. Rates on medium-term and long-term instruments have also generally declined. Rates on 2-year, 3-year, 5-year, 6-year, 7-year, 10-year, 15-year, and 20-year bonds respectively decreased by 115bps, 115bps, 95bps, 195bps, 168bps, 194bps, 192bps, and 38bps to settle at 17.60 percent, 17.70 percent, 18.30 percent, 17.27 percent, 17.56 percent, 18.37 percent, 19.20 percent, and 19.39 at the end of June 2021.

89. The weighted average interbank rate declined to 12.88 percent from 13.82 percent for the same period in June, largely reflecting improved liquidity conditions in the interbank market, which had transmitted to lending rates. Average lending rates of banks declined marginally to 20.61 in June 2021 percent from 21.95 percent recorded in the corresponding period of 2020, consistent with developments in the interbank market.

90. The Monetary Policy Committee (MPC) reduced the Monetary Policy Rate (MPR) by 100bps to 13.5 percent at the May MPC meeting and maintained it at that level at its latest meeting in July, consistent with the developments in inflation. This is expected to transmit to money markets, soften financing conditions, and give further boost to credit and stimulate growth.

External Sector Developments and Outlook

91. The provisional Trade Balance for first half of the year (January to June) recorded a surplus of US$837.5 million (1.2% of GDP), lower than the surplus of US$1,005.5 million (1.5% of GDP) recorded in the corresponding period of last year. The lower trade balance was attributed to higher imports demand which outweighed exports earnings. The total value of merchandise exports recorded for the first six months was US$7,593.2 million, which represented 2.7 percent annual growth. The increase in exports earnings during the period was mainly on the back of a rally in the prices of key export commodities. At

the same time, imports rose by 5.7 percent to US$6,755.6 million, reflecting a pick-up in economic activity following the easing of COVID-19 restrictions. Both non-oil imports and oil imports contributed to the increased demand for imports.

92. The Current Account in Q2-2021 recorded a deficit of US$926.1 million (1.3% of GDP) compared to a deficit of US$548.2 million (0.8% of GDP) in the same period in 2020, mainly on account of declining trade surplus and increased investment income outflows. Private individual transfers remained resilient with net inflow of US$1.6 billion in the first half of the year, despite the uncertain global environment. However, despite the surplus in the trade account, the current account recorded a deficit mainly because of higher outflows in the services and income accounts.

93. The Capital and Financial Account recorded an inflow of US$3,333.2 million in Q2-2021 compared with US$1,613.9 million in Q2-2020, driven by higher portfolio and foreign direct investments inflows. The lower current account deficit and higher inflows into the capital and financial accounts resulted in an overall balance of payments surplus of US$2,369.7 million compared to a surplus of US$1,009.9 million in the corresponding period of 2020.

94. As at the end of June 2021, the country's Gross International Reserves (GIR) stood at US$11,026.9 million from a stock position of US$8,624.4 million at the end of December 2020. This was sufficient to provide a cover of 5.0 months for imports of goods and services compared with 4.3 and 4.0 months of import cover recorded at end-June and end-December 2020, respectively.

95. In the outlook, the thrust of external sector policy will be to build sufficient reserves to provide at least four months cover for imports of goods and services and to support the forex market to smoothen out fluctuations. Improvement in the trade account and strong remittances inflows, together with portfolio inflows occasioned by continued access to the international financial market, will be required to secure a strong external position.

96. Gradual recovery in global output, driven mainly by progress with mass vaccinations, will support commodity prices. As a result, we expect exports growth to be strong and underpin the improvement in the trade account. This is in spite of the revival of imports occasioned by the projected recovery in economic activity. We expect the current account deficit to remain stable in the medium-term. This, together with improvements in the financial account will help secure a strong external position to cushion the economy against shocks.

Financial Sector Developments and Outlook

97. The banking sector recorded sustained growth and resilient performance during the first half of the year, with the available data showing robust growth in total assets, deposits, and investments. Total assets increased by 17.2 percent year-on-year to GH¢162.9 billion as at June 2021, lower than the 23.2 percent growth recorded a year ago. The increase in assets resulted mainly from

deposits which recorded an annual growth of 22.5 percent to GH¢110.3 billion, higher than the corresponding growth of 19.1 percent in June 2020.

98. Credit growth remained sluggish due to the pandemic, with Net Advances increasing by 5.5 percent to GH¢41.1 billion in June 2021, substantially lower than the 14.7 percent annual growth in June 2020. Despite the sluggish growth in Net Advances, the COVID-related regulatory reliefs and policy measures continued to support new lending activities in the banking sector, with New Advances amounting to GH¢16.0 billion for the first half of 2021, compared to GH¢15.8 billion for same period in 2020. Real credit to the private sector is expected to expand as the recovery process takes hold and projected to grow by 2.6 percent, in real terms, by the end of the year, an improvement over the 0.2 percentage point recorded in 2020. However, in line with the recovery process, real credit to the private sector is expected to remain strong over the medium-term.

99. The Financial Soundness Indicators (FSIs) of the banking sector remained strong and healthy, underpinned by improved solvency, liquidity, and profitability indicators. Return on Assets (RoA) and Return on Equity (RoE) as at June 2021 were 4.7 percent and 21.2 percent, respectively, comparable to the respective ratios of 4.1 percent and 20.6 percent at end-June 2020. The Capital Adequacy Ratio (CAR) of 20.8 percent remained above the regulatory threshold. The industry's Non-Performing Loans (NPLs) ratio, however, worsened to 17.0 percent in June 2021 from 15.7 percent a year ago due to the pandemic-induced loan repayment challenges and sluggish credit growth. Overall, the impact of the pandemic on the industry's performance was moderate, as banks remained liquid, profitable, and well-capitalised.

100. In the outlook, the observed sustained balance sheet performance of the sector is expected to continue to year-end 2021 as economic activity gradually picks up. This should also support profit growth in the industry. The projected easing in credit stance and increase in credit demand based on the latest credit conditions survey are expected to support credit growth going forward. Bank of Ghana is committed to implement policies and measures to ensure the stability of the sector in deepening financial intermediation and supporting the ongoing economic recovery process.

2.3 Fiscal Performance for January to June, 2021

101. Mr. Speaker, in the 2021 Budget presented to this august House in March this year, Government indicated its commitment to mitigate the impact of the pandemic with a view to returning the economy to strong and sustainable growth, while protecting lives and livelihoods. Government also did indicate that the medium-term fiscal framework will be anchored on debt sustainability, given the exigencies of the time, the elevated debt levels, the limited fiscal space, and the structural budget rigidities. Consequently, the 2021 Fiscal Framework presented in the 2021 Budget Statement set the overall fiscal deficit for 2021 at 9.5 percent of GDP with a corresponding primary deficit of 1.3 percent of GDP. This follows a fiscal deficit outturn of 11.7 percent of GDP in

2020 reflecting the impact of COVID-19 pandemic compared to the revised target of 11.4 percent of GDP for the year.

102. Mr. Speaker, so far, the implementation of the 2021 Budget from Jan-June has been successful. We remain fully committed to achieving the fiscal deficit target of 9.5 percent of GDP for the year in order not to derail from the objective of returning to the Fiscal Responsibility Act (FRA) threshold of "5 percent of GDP" for the fiscal deficit and a "positive" primary balance by 2024.

103. Mr. Speaker, the provisional fiscal data for Jan-June 2021 show that we are on track with the target on the fiscal balance for the period. Total Revenue and Grants amounted to GH¢28,304 million (6.5% of GDP), against a programmed target of GH¢32,362 million (7.5% of GDP). For the same period, Total Expenditure, including the clearance of arrears, amounted to GH¢50,619 million (11.7% of GDP), against a programmed target of GH¢55,088 million (12.7% of GDP). This resulted in an overall fiscal deficit of GH¢22,315 million (5.1 of GDP), against a programmed target of GH¢22,726 million (5.2% of GDP). Summary of fiscal performance for the period is shown in Table 3.

Table 3: Provisional Fiscal Performance – Jan. – Jun., 2021

No.	Indicators (GH¢ billion)	Jan-June 2020		2021 Budget	Jan-June 2021					
		Prov. Outturn	y/y (%)		Prog.	Prov. Outturn	Dev (GH¢)	Dev (%)	y/y (%)	Exec Rate (%)
1	**Total Revenue & Grants**	**23,939**	**1.4**	**72,452**	**32,362**	**28,304**	**-4,058**	**-12.5**	**18.2**	**87.5**
	% of GDP	*6.2*		*16.7*	*7.5*	*6.5*				
2	**Total Exp. (incl. Arrears clearance)**	**48,552**	**50.3**	**113,750**	**55,088**	**50,619**	**-4,469**	**-8.1**	**4.3**	**91.9**
	% of GDP	*12.7*		*26.2*	*12.7*	*11.7*				
3	**Budget Balance**	**-24,613**	**182.7**	**-41,298**	**-22,726**	**-22,315**	**411**	**-1.8**	**-9.3**	**98.2**
	% of GDP	*-6.4*		*-9.5*	*-5.2*	*-5.1*				
4	**Primary Balance**	**-12,557**		**-5,434**	**-4,797**	**-7,290**	**-2,493**	**52.0**		
	% of GDP	*-3.3*		*-1.3*	*-1.1*	*-1.7*				
5	**Nominal GDP**	**383,486**		**433,686**	**433,686**	**433,686**				

Source: MoF

Revenue Performance

104. Mr. Speaker, the outturn for Total Revenue and Grants represents an execution rate of 87.5 percent compared to the period's target, and an annual nominal growth of 18.2 percent. Non-Oil Tax Revenue—which comprises non-oil Taxes on Income and Property, Taxes on Goods and Services, and International Trade Taxes—constituted 78 percent of Total Revenue and Grants and amounted GH¢22,099 million (5.1% of GDP) against a target of GH¢24,384 million (5.6%

of GDP). Despite the shortfall from target, the outturn represents an annual increase of 21.9 percent as shown in Table 4.

Table 4: Summary of Revenue Performance – Jan – Jun., 2021

No.	Indicators (GH¢ billion)	Jan-June 2020		2021 Budget	Jan-June 2021					
		Prov. Outturn	y/y (%)		Prog.	Prov. Outturn	Dev (GH¢)	Dev (%)	y/y (%)	Exec Rate (%)
1	**Total Revenue & Grants**	**23,939**	**1.4**	**72,452**	**32,362**	**28,304**	**-4,058**	**-12.5**	**18.2**	**87.5**
	% of GDP	*6.2*		*16.7*	*7.5*	*6.5*				
2	**Non-oil Tax Revenue**	**18,122**	**1.6**	**53,632**	**24,384**	**22,099**	**-2,285**	**-9.4**	**21.9**	**90.6**
	% of GDP	*4.7*		*12.4*	*5.6*	*5.1*				
3	**Non-Oil Non-Tax Revenue**	**2,114**	**-7.5**	**7,078**	**3,139**	**2,609**	**-530**	**-16.9**	**23.4**	**83.1**
	% of GDP	*0.6*		*1.6*	*0.7*	*0.6*				
4	**Oil and Gas Receipt**	**1,784**	**-4.1**	**5,427**	**1,810**	**1,900**	**89**	**4.9**	**6.5**	**104.9**
	% of GDP	*0.5*		*1.3*	*0.4*	*0.4*				
5	**Other Revenue**	**1,236**	**12.7**	**4,850**	**2,161**	**1,249**	**-911**	**-42.2**	**1.1**	**57.8**
	% of GDP	*0.3*		*1.1*	*0.5*	*0.3*				
6	**Grants**	**683**	**28.7**	**1,465**	**869**	**448**	**-421**	**-48.5**	**-34.4**	**51.5**
	% of GDP	*0.2*		*0.3*	*0.2*	*0.1*				

Source: MoF

105. Mr. Speaker, the non-oil Tax Revenue shortfall is partly explained by the scarring effects of the COVID-19 Pandemic on business operations, which continue to affect recruitments, salary adjustments, product sales, and corporate profits. This effect is largely observed in the shortfalls in Personal, Self Employed, Corporate and Excise taxes. Secondly, Import Duties and Levies were lower than programmed mainly due to lower than programmed CIF value of non-oil imports.

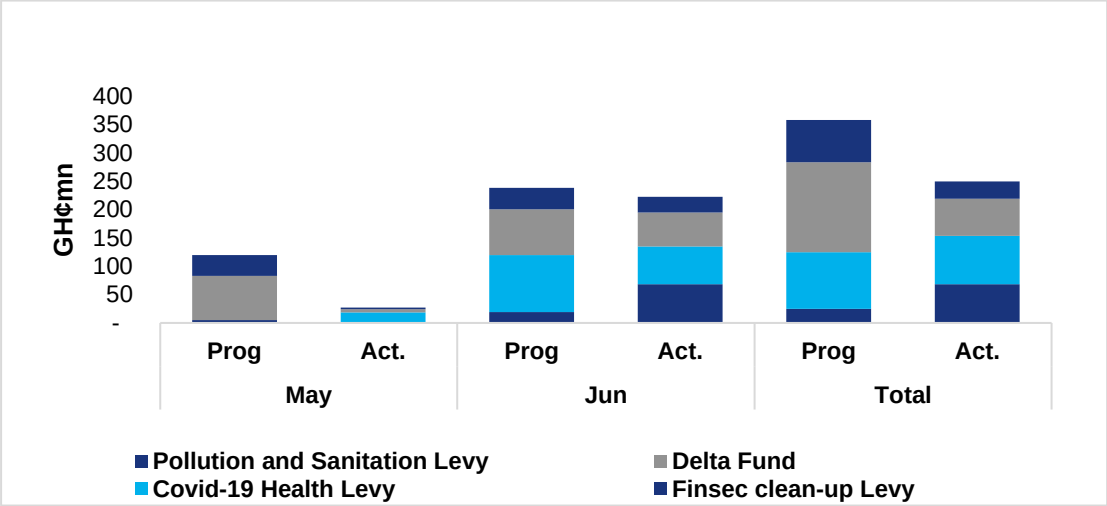
106. Non-Tax Revenue (excluding petroleum receipts)—comprising MDAs' Internally Generated Funds (IGF) from the sale of goods and services and Dividends from SOEs—amounted to GH¢2,609 million (0.6% of GDP) and fell below the period target by GH¢530 million.

107. Petroleum Receipts from upstream oil and gas activities were above target by 4.9 percent, amounting to GH¢1,900 million from four (4) scheduled oil liftings which yielded 3.84 million barrels of crude oil.

108. Mr. Speaker, Other Revenues—comprising SSNIT transfers to NHIL, ESLA, Delta Fund, and the Pollution & Sanitation Levy—amounted to GH¢1,249 million.

109. Following the approval of the 2021 Budget by this august House, the implementation of the new revenue measures, namely Pollution and Sanitation Levy, Delta Fund Levy, COVID-19 Health Levy, and Finsec Clean-up Levy commenced in May 2021. So far, a total yield of GH¢249.7 million has been realised compared to the target of GH¢358.1 million as shown in Figure 1.

Figure 1: Yield from New Revenue Measures



Source: MoF

110. Mr. Speaker, although the performances of these new revenue initiatives are also below their respective targets, the gradual pickup in economic activity, complemented by other strategies being deployed by the Ghana Revenue Authority, will ensure that the programmed revenue targets will materialise by the year-end.

111. Mr. Speaker, Grants disbursements amounted to GH¢448 million against a target of GH¢869 million, falling below the target by 48.5 percent. The inflows were exclusively from Project Grants, as no Programme Grants are expected this fiscal year.

Expenditure Performance

112. Mr. Speaker, Total Expenditure for the period, including arrears clearance, was GH¢50,619 million (11.7 percent of GDP), slightly below the target of GH¢55,088 million (10.4 percent of GDP) as shown in Table 5. Except for expenses on the Use of Goods and Services and Capital Expenditure, all other expenditure lines were contained within their respective targets for the period.

113. Compensation of Employees amounted to GH¢14,691 million, 3.1 percent below the programmed target of GH¢15,157 million. Of the total Compensation bill, Wages and Salaries constituted 88.5 percent and amounted to GH¢13,003 million.

Table 5: Summary of Expenditure Performance – Jan – Jun., 2021

No.	Indicators (GH¢ billion)	Jan-June 2020		2021 Budget	Jan-June 2021					
		Prov. Outturn	y/y (%)		Prog.	Prov. Outturn	Dev (GH¢)	Dev (%)	y/y (%)	Exec Rate (%)
1	**Total Exp. (incl. Arrears clearance)**	**48,552**	**50.3**	**113,750**	**55,088**	**50,619**	**-4,469**	**-8.1**	**4.3**	**91.9**
	% of GDP	*12.7*		*26.2*	*12.7*	*11.7*				
2	**Compensation of Employees**	**13,468**	**23.0**	**30,314**	**15,157**	**14,691**	**-466**	**-3.1**	**9.1**	**96.9**
	% of GDP	*3.5*		*7.0*	*3.5*	*3.4*				
3	**Use of Goods and Services**	**3,232**	**-20.1**	**5,967**	**2,693**	**4,402**	**1,709**	**63.5**	**36.2**	**163.5**
	% of GDP	*0.8*		*1.4*	*0.6*	*1.0*				
4	**Interest Payment**	**12,056**	**36.9**	**35,864**	**17,928**	**15,025**	**-2,903**	**-16.2**	**24.6**	**83.8**
	% of GDP	*3.1*		*8.3*	*4.1*	*3.5*				
5	**Grants to Other Gov't Units**	**6,146**	**7.9**	**18,081**	**7,995**	**5,699**	**-2,297**	**-28.7**	**-7.3**	**71.3**
	% of GDP	*1.6*		*4.2*	*1.8*	*1.3*				
6	**Capital Expenditure**	**6,099**	**65.1**	**11,528**	**5,359**	**6,870**	**1,511**	**28.2**	**12.6**	**128.2**
	% of GDP	*1.6*		*2.7*	*1.2*	*1.6*				
7	**Other Expenditure**	**5,533**	**414.0**	**8,297**	**3,931**	**2,925**	**-1,006**	**-25.6**	**-47.1**	**74.4**
	o/w ESLA	*1,190.5*		*2,979.5*	*1,492.2*	*1,028.0*	*-464.2*	*-31.1*		
	o/w COVID-19 Related	*3,051.4*		*4,509.6*	*2,023.7*	*1,760.6*	*-263.1*	*-13.0*		
8	**Arrears**	**-1,340**	**114.4**	**-3,700**	**-2,025**	**-1,373**	**652**	**-32.2**	**2.5**	**67.8**
	% of GDP	*-0.3*		*-0.9*	*-0.5*	*-0.3*				
9	**Discrepancy**	**-678**	**-126.2**	**0**	**0**	**364**	**364**			
	% of GDP	*-0.2*		*0.0*	*0.0*	*0.1*				

Source: MoF

114. Expenditure in respect of the Use of Goods and Services was above the target by 63.5 percent for the period, amounting to GH¢4,402 million against a programmed target of GH¢2,693 million. The higher than programmed expenditures on use of Goods and Services for the period is explained by frontloading of some critical expenditures, for the Electoral Commission, Parliament, Audit Service and Agriculture.

115. Interest Payments were below the target for the period by 16.2 percent, amounting to GH¢15,025 million compared with the target of GH¢17,928 million. The expenditure savings is on account of the implementation of the domestic liability management strategy, consistent with a favourable monetary policy stance which has seen reduction in cost the of borrowing along the yield curve.

116. Capital Expenditure exceeded the budgetary provision by 28.2 percent. Total Capital Expenditure amounted GH¢6,870 million against the target of GH¢5,359 million. The higher than programmed Capital Expenditure was mainly driven by

Foreign Financed Capital Expenditure, reflecting a faster pace in Project Loans disbursements.

117. Grants to Other Government Units was 28.7 percent below target as shown in Table 5, following the lower-than-programmed revenue inflows (to which most of such grants are linked) as well as lags/delays in transfers..

118. Mr. Speaker, total releases in respect of COVID-19 expenditures amounted to GH¢1,761 million against a target of GH¢2,024 million. This includes expenditures on PPEs for mass reopening of schools, Ghana CARES "Obaatan Pa" Programme, Agenda 111, and COVID-19 Vaccines.

Financing Operations

119. As shown in Table 6, implementation of the Budget resulted in an overall budget deficit of GH¢22,315 million (5.1% of GDP), 1.8 percent below the target of GH¢22,726 million (5.2% of GDP). The corresponding primary balance for the period was a deficit of GH¢7,290 million (1.7% of GDP), against a target deficit of GH¢4,797 million (1.1% of GDP).

120. The fiscal deficit for the period was financed from both foreign and domestic sources. Net Foreign financing of GH¢15,238 million constituted 68.3 percent of the total financing and included inflows from Eurobond proceeds of Gh¢15,795 million. Domestic Financing amounted to GH¢7,077 million, representing 31.7 percent of the total.

Table 6: Summary of Financing Operations – Jan. – Jun., 2021

No.	Indicators (GH¢ billion)	Jan-June 2020		2021 Budget	Jan-June 2021					
		Prov. Outturn	y/y (%)		Prog.	Prov. Outturn	Dev (GH¢)	Dev (%)	y/y (%)	Exec Rate (%)
1	**Total Financing**	**24,613**	**182.7**	**41,298**	**22,726**	**22,315**	**-411**	**-1.8**	**-9.3**	**98.2**
	% of GDP	*6.4*		*9.5*	*5.2*	*5.1*				
2	**Foreign Financing**	**3,199**	**-67.4**	**15,874**	**19,869**	**15,238.1**	**-4,631**	**-23.3**	**376.3**	**76.7**
	% of GDP	*0.8*		*3.7*	*4.6*	*3.51*				
3	**Domestic Financing**	**21,413**	**-2,024.8**	**25,424**	**2,856**	**7,077**	**4,221**	**147.8**	**-67**	**247.8**
	% of GDP	*5.6*		*5.9*	*0.7*	*1.6*				
4	**Primary Balance**	**-12,557**	**-12,322.4**	**-5,434**	**-4,797**	**-7,290**	**-2,493**	**52.0**	**-42**	**152.0**
	% of GDP	*-3.3*		*-1.3*	*-1.1*	*-1.7*				
5	**Nominal GDP**	**383,486**		**433,686**	**433,686**	**433,686**				

Source: MoF

2.4 Public Debt Developments for January to June, 2021

121. Mr. Speaker, the provisional nominal debt stock as at end-June 2021 stood at GH¢334,560.4 million (US$58,041.1 million), representing 77.1 percent of GDP.

This was up from GH₵291.6 billion (US$50.8 billion) at the end of December 2020. This stock included the financial and energy sector bailouts. Excluding the Financial Sector Bailout, the nominal debt stock as percentage of GDP falls to 72.9 percent as shown in Table 7.

122. The increase in the debt stock was mainly because of the Eurobond issuance in April 2021, COVID-19 pandemic effect, contingent liabilities, and front-loading of financing to meet cash flow requirements for the first half of the year.

123. The composition of the total debt stock was made up of a provisional amount of GH₵161,813.48 million (US$28,072.15 million) and GH₵172,746.95 million (US$29,968.94 million) for external debt and domestic debt, respectively, which correspondingly accounted for 48.4 percent and 51.6 percent of the total debt.

Table 7: Public Debt Developments, 2016 – June 2021 (GH¢ billion)

No.	Item	2016	2017	2018	2019	2020	2021* end-June
1	**External**	**68.8**	**75.8**	**86.2**	**112.7**	**141.8**	**161.8**
	% of GDP	*32.0*	*29.5*	*28.7*	*32.3*	*37.0*	*37.3*
2	**Domestic**	**53.4**	**66.8**	**86.9**	**105.5**	**149.8**	**172.7**
	% of GDP	*24.8*	*26.0*	*28.9*	*30.2*	*39.1*	*39.8*
3	**Total Public**	**122.2**	**142.5**	**173.1**	**218.2**	**291.6**	**334.6**
	% of GDP	*56.8*	*55.5*	*57.6*	*62.4*	*76.1*	*77.1*

provisional
Source: MoF

Domestic Market Developments

124. Mr. Speaker, a new Bond Market Specialist has been engaged and the implementation of the revised Primary Dealer guidelines have commenced since June 2021. This replaced the previous mechanism. Already we are seeing positive performances from the implementation of this reform.

125. Arising from this, a new Borrowing Guideline for 2021 has been published, detailing to the market the various instruments to be offered in 2021. The accompanying issuance calendars would be published on a 3-month rolling basis.

Update on Ghana's Credit Ratings for 2021

126. Mr. Speaker, only one credit rating action was conducted on Ghana during the first half of 2021. Fitch Ratings, on 22nd June, 2021, affirmed Ghana's Long-Term Foreign-Currency Issuer Default Rating at 'B', but revised the outlook from stable to negative. The revision in outlook by Fitch was premised on several factors, including: slow rate of fiscal consolidation and public finance challenges emanating from the COVID-19 pandemic; low revenue base; high public debt levels; as well as a lack of a clear majority in Parliament.

127. Despite the Rating Agency's stance, Government wishes to reiterate that it has and will continue to take pragmatic actions and policies to reinvigorate the economy in the post COVID-19 era. Government will rebuild the economy and make it more resilient through the implementation of the fiscal measures outlined in the 2021 Budget, this Mid-Year Review, as well as the Ghana CARES Programme to restore growth to the pre-pandemic levels. These measures will ensure that a fine balance is struck between fiscal consolidation and growth.

The International Capital Market Programme for the 2021 and the Medium-Term

128. Mr. Speaker, legislative approvals were given to conduct an international capital market programme issuance for multiple instruments for 2021. The issuance size was targeted for US$3.0 billion with a possibility of increasing that to US$5.0 billion for financing growth-oriented expenditures and liability management for domestic and external debt.

129. Mr. Speaker, following a three-day virtual roadshow out of Accra with a series of fixed-income investor meetings based mainly across North America and Europe, Ghana issued its first 4-tranche zero coupon Eurobond transaction under its 2021 International Capital Markets Programme for US$3,025 million. The transaction had a debut US$525 million for a 4-year tenor zero coupon bond.

130. In addition to this, a regular tranche consisting of US$1 billion for a 7-year tenor, US$1 billion for 12-year tenor, and US$500 million for 20-year tenor were issued. The three bonds were priced at coupon rates of 7.75 percent, 8.625 percent, and 8.875 percent respectively.

131. Ghana, therefore, became the:
- First ever country in the emerging market country group to issue a zero-coupon bond on the ICM;
- First largest emerging market sovereign deal maker early in 2021; and
- First African country with a 4-tranche issuance.

132. The capital markets, therefore, affirmed its continued confidence in the Ghanaian economy with this issuance.

133. Mr. Speaker, the United Nations Sustainable Development Goals (SDGs) call for urgent action by all countries aimed at encouraging sustained economic growth underpinned by social, economic and environmental sustainability—a blueprint for peace and prosperity for people and the planet, now and in the future.

134. Accordingly, the Government of Ghana recognises that we must be at the forefront and promote the building blocks for an inclusive and sustainable recovery. Our focus remains to move urgently toward opportunities and solutions that achieve sustainable and broad-based economic growth without harming our climate or leaving hundreds of millions of families in poverty.

135. As such, Government has commenced discussions with international organizations such as the World Economic Forum (WEF) to identify the SDG financing gap and develop a roadmap to attract innovative finance to close the gap, for the attainment of the SDGs by 2030. Ghana and Switzerland have also agreed on a roadmap for 50m tonnes of carbon capture.

136. Globally, the international capital market is moving its financing appetite towards sustainable initiatives that support such goals. Ghana is also keen on positioning itself to benefit from this desire to provide such financing by developing an ESG framework which would allow proceeds raised or an amount equivalent to such proceeds raised to be used to financing or refinance eligible green and sustainable projects such as renewable energy, health and education related infrastructure, amongst others.

137. Since such frameworks permit an amount equivalent to funds being raised to be applied to eligible projects, it means the direct proceeds raised can be used to achieve other objectives, such as managing our debt stock (liability management) in addition to the benefit of applying the amount equivalent to funds raised for eligible green or sustainable projects.

2.5 Medium-Term Debt Management Strategy, 2021

138. Mr. Speaker, the 2021-2024 Medium-Term Debt Strategy focuses on an appropriate financing mix to mitigate the cost and risk that could adversely affect the debt portfolio and seeks to continue Government's ongoing liability management programme to reduce refinancing and interest rate risk in the portfolio.

139. The optimal strategy is in line with Government's objective of lengthening the maturity profile of the domestic stock to reduce refinancing risk. Other objectives of the strategy include the extension of tenor, introduction of new instruments, and effective communication with the markets.

140. On the domestic front, the financing strategy seeks to build benchmark bonds by issuing or reopening medium-to-long-term bonds to improve liquidity and secondary market trading. The improvement in liquidity is expected to help bridge the gap between revenue collection and short-term expenditure commitments.

141. On the external front, Government would issue sovereign bonds on the ICM if market conditions are favourable to finance the 2021 budget and carry out liability management operations on the public debt portfolio. Re-profiling and reduction in cost of the domestic debt portfolio would be pursued as part of the liability management programme. The strategy further considers cost-effective management of contingent liabilities that may crystallise in 2021, especially from the energy sector and financial sector bailouts.

142. Mr. Speaker, Government is embarking on cheaper sources of funding for liability management on the existing debt stock to lower the cost of financing

and reduce the risk on the debt portfolio. A review of the existing debt stock shows a composition of 51.0 percent for domestic debt and 49.0 percent for external debt for 2020. However, the implication for interest payments in the original budget is about 79 percent and 21 percent for domestic and external interest payments, respectively. Within this context, the Government of Ghana had to structure a financing strategy that would ensure fiscal space on a reduction of interest cost in the medium-term, and this led to the option of a zero-coupon bond offering as part of the 2021 Eurobond programme. We anticipate saving a few billions of Ghana cedis starting from 2021 to reduce the interest cost on the budget and create additional fiscal space.

143. So far, some positive developments are evolving. Interest rates on Government securities, specifically the short to medium-term securities, witnessed significant decline during the first half of 2021. These developments have a positive impact on the cost of borrowing for Government. From the beginning of the year to end-June 2021, interest rates for the three short-term securities comprising the 91-day, 182-day, and 364-day bills have declined by 146, 74 and 66 basis points, respectively. Similarly, the rates for the medium-term instruments comprising of the 2-year, 3-year, 5-year, 6-year, and 7-year bonds have declined by 90, 155 105, 25 and 240 basis points, respectively.

2.6 Petroleum Revenue and Utilization for January - June 2021

144. Mr. Speaker, total petroleum receipts (i.e. proceeds from liftings and other petroleum receipts) for the first half of 2021 amounted to US$330.3 million. Of these, proceeds from the sale of the volume of crude oil liftings consisting of the 58th and 59th from the Jubilee field, the 7th from the SGN field, and the 18th from the TEN field totalling 3,840,517 barrels, contributed US$232.24 million.

145. Out of the total receipts, an amount of US$98.34 million was transferred to GNPC, made up of Equity Financing Cost of US$60.9 million and GNPC's share of the net Carried and Participating Interest of US$37.5 million. An amount of US$76.8 million was transferred into the Ghana Petroleum Funds (GPFs), out of which the Ghana Heritage Fund (GHF) received US$23.0 million, while the Ghana Stabilisation Fund (GSF) received US$53.7 million. The Annual Budget Funding Amount (ABFA) account received a total of US$155.2 million, out of which US$21.7 million was allocated to the Ghana Infrastructure Investment Fund (GIIF), leaving a net ABFA of US$133.5 million to fund projects in specified priority sectors of the economy.

CHAPTER THREE: IMPLEMENTATION OF GHANA CARES AND OTHER GOVERNMENT PROGRAMMES

3.1 Ghana CARES "Obaatan Pa" Programme

146. Mr. Speaker, with every crisis, the need to re-structure and diversify the economy becomes imperative. The recent experience of the COVID 19 pandemic, with its disruptive impact on global and regional value chains has once again highlighted the need to build a transformed Ghana that is prosperous enough to be beyond needing aid, and that engages competitively with the rest of the world through trade and investment.

147. The severe socioeconomic consequences of this pandemic is widely known. Even as we prioritized the immediate health and safety of Ghanaians, Government focus was on our economic recovery. We did this, knowing that a robust and sustainable rebound would be critical to re-capturing the lost gains and keeping our country on a path of transformation towards a Ghana Beyond Aid.

148. It was important for Government in the midst of the crisis to think outside the box and formulate a bold strategy that was three-pronged; stabilize the economy following the disruption, revitalize the economy and seize the opportunity that the crisis presented to transform the structure of the economy.

149. Mr. Speaker, under the transformation we envisage, Government would support the private sector to accelerate industrialization, deepen our competitive import substitution drive, and to leverage digitalization to raise productivity and create jobs. Government would also create the needed financial ecosystem to provide long-term and sustainable funding for our businesses as well as retraining those who have lost jobs as a result of the pandemic. Our approach puts a premium on workers and businesses using their skills and innovation in new ways in a commercial environment that is increasingly regionally integrated.

150. Mr. Speaker, it is precisely for this reason that in November 2020, Government, working together with the private sector and a wide range of stakeholders, designed and launched the audacious GH¢100 billion **Ghana COVID-19 Alleviation and Revitalisation of Enterprises Support (Ghana CARES)** "Obaatan Pa" Programme.

151. This is a two-phased programme to be implemented over three and half-years. Phase I of the programme - the Stabilisation Phase - built on the immediate live-saving measures that Government had taken to respond to the pandemic. This was achieved by implementing additional measures through the end of 2020 focused on protecting livelihoods of Ghanaians facing economic challenges due to the pandemic.

152. Phase II of the programme focuses on revitalization and transformation of the economy, and it will be implemented from 2021 to end-2023. As already articulated, our approach under this programme is to catalyse the private sector in targeted sectors to fast-track industrialization, competitive import substitution, digitalization, export expansion and the creation of decent jobs, particularly for our youth. Mr. Speaker, the transformative interventions under the Ghana CARES programme will be underpinned by structural reforms in the business environment to support private investment, economic diversification and job creation.

153. Since the turn of this year, we have purposefully been pursuing the Phase II of the Ghana CARES programme to revitalise the economy and set it on track for transformation. We are emboldened in this course, knowing that the initiatives in the Stabilisation Phase (Phase I) have been vital in sustaining the quality of life of our people and the prospects of our economic recovery. Six months on, permit me to highlight the progress made thus far and the work to be accomplished in the remaining part of the year.

154. Mr. Speaker, implementation of Ghana CARES is focused first in providing dedicated resources to MDAs to expand and to accelerate progress in the implementation of their programmes that are aligned to the priority targets in the CARES Programme. To date, "Compacts" have been signed between the Ministry of Finance and a number of MDAs specifying specific results to be achieved by the MDA and the catalytic resources to be provided by the Ministry of Finance. Each Compact includes a clear Results Tracking Framework, with the further releases of funds tied to performance. I am happy to report that this exciting performance-based arrangement is up and running; the catalytic resources have started flowing and the MDAs are energised and getting on with their activities.

155. Mr Speaker, I am also happy to report that under the Ghana CARES programme we have made considerable progress towards our pledge to create a well-lubricated financial ecosystem to support the private sector in revitalising and transforming the economy. In doing this, we are paying special attention to anchor wealth-building for our youth.

156. Mr. Speaker, with adequate capitalisation, we are ready to operationalise Development Bank Ghana (DBG) in the third quarter of this year to help address critical financial constraints faced by our businesses. DBG will mobilise funds from both the domestic and international markets to support the private sector to invest in a medium to long term basis. DBG will thus unlock long term financing for actors in the manufacturing, agriculture, agro-processing, mortgage, and housing sub-sectors to propel economic growth, create jobs and improve domestic revenue mobilisation.

157. Mr. Speaker, for almost two years now the Ghana Incentive-based and Risk Sharing Scheme for Agricultural Lending (GIRSAL), has been providing guarantees and technical assistance to banks to lower the risks that they perceive in lending to agriculture. This is beginning to increase the volume and improve the terms of bank lending to agriculture and agribusiness. Under Ghana CARES, Government will continue to support GIRSAL to strengthen its operations. We have also made available additional funding through GIRSAL to support the operationalisation of the CARES COVID-19 Guarantee Scheme, which will allow Medium and Large-Scale Enterprises to access funding from financial institutions on improved terms to help them respond to the economic challenges of the pandemic and sustain employment for our people.

158. Mr. Speaker, under Ghana CARES, we are providing additional support to the Ghana Commodity Exchange (GCX) this year to strengthen its operations. This support will strengthen the GCX to play its critical role in reducing post-harvest losses, providing better access to agricultural and financial markets, creating jobs and improving livelihoods for all actors along the agricultural value chain.

159. To provide financial resources for the development and promotion of venture capital financing for Small and Medium Enterprises (SMEs) in priority sectors under Ghana CARES, we are also supporting the Venture Capital Trust Fund (VCTF) this year. The support will enable the VCTF to tremendously impact financing for venture capitalists, especially the youth, in Ghana.

160. Mr. Speaker, in facilitating Government's agenda to provide sustainable and completed affordable housing, we are providing funds to the National Homeownership Fund (NMF). This fund, to be matched by participating financial institutions, will provide low blended mortgage interest rates of between 11 to 12 percent as compared to the current market rates between 22 to 23 percent. Through this intervention, which builds upon and expands the pilot project implemented last year, our quest to promote residential homeownership while boosting the domestic construction sector to provide more jobs, is on course.

161. Mr. Speaker, we are delighted to have completed the institutional rationalization and subsequently launched the Ghana Enterprises Agency (GEA), as a dedicated robust institution to promote the development of Ghanaian MSMEs. The GEA is now better positioned to respond to the growing needs of MSMEs and play a lead role to strengthen the capacity as well as the competitiveness of the enterprises in Ghana. With additional funding and strategic partnership of reputable international organisations, GEA is ready to expand the frontiers of MSMEs in Ghana.

162. Mr. Speaker, we are doing more to unleash the spirit of entrepreneurship by easing the constraints in business regulatory processes this year. Through the Ghana Economic Transformation project, the Ministry of Trade and Industry, GIPC and other MDAs are accelerating on-going reforms to enhance the business environment. Our target is to improve Ghana's "Doing Business" ranking to be in the top-100 globally and in the top 5 in Africa by end-2023.

The achievement of this will facilitate the attraction of more investments to generate decent jobs for our youth as part of our strategy under Ghana CARES.

163. Mr. Speaker, together, DBG, GCX, GEA, GIIF, GIRSAL, VCTF, NHMF, GIPC and the accompanying reforms of the business regulatory environment and underpinned by our investment in human capital through SHS, COTVET and STEAM, form a well-crafted set of institutions and reforms that anchors a new age of entrepreneurship, job creation and wealth building for our post-COVID transformation. The prospects of business and entrepreneurship have been given the needed boost through this ecosystem.

164. Mr. Speaker, Government continues to prioritise the modernisation of the agricultural sector under Ghana CARES. The aim is to accelerate rapid competitive import-substitution for targeted food crops, support commercial farming (particularly by the youth), increase food security, and the supply of raw materials (at scale, high quality and high reliability) to our agro-processing industries—for value-addition, job creation, exports, and industrialization.

165. Mr. Speaker, in view of this, Ghana CARES, with the Ministry of Food and Agriculture as the lead, is investing in initiatives that will improve production and productivity in the rice, poultry, soybean, and tomato sub-sectors this year to complement existing interventions under the Planting for Food and Jobs. Government's recent engagement with all the value-chain actors in these sub-sectors has helped sharpen the focus of investments and brought a more holistic view to the issues we are confronting in these sectors. We are therefore providing interest rate subsidies, facilitating equipment acquisition, linking markets and promoting relevant research for these sectors. The youth are being supported this year to become out-growers for anchor farmers to boost their participation in commercial farming.

166. Mr. Speaker, Ghana CARES is also investing in data and digital technology for the agricultural sector. These technologies are meant to revolutionise and improve efficiency in the targeting of interventions such as fertilizers, seed inputs, extension services and acquisition of land for commercial farming.

167. Mr. Speaker, accelerated expansion of Ghana's light manufacturing is a focus under Ghana CARES. Led by the Ministry of Trade and Industry, Ghana CARES is delivering dedicated support to expand the processing capacity of businesses in the Pharmaceutical, Cassava, Garments and Textiles industries to increase exports and create additional jobs. Specific interventions include support for the cassava value chain, provision of technical assistance to the Garment and Textiles as well as the Pharmaceutical industries. Key pharmaceutical manufacturing companies will be supported to upgrade their operations to reach Good Manufacturing Practice Standards. Additionally, Government is supporting the textile and garment firms to establish an industrial park at the new Dawa Industrial Park, which will boost exports and create additional jobs under the Ghana CARES programme.

168. Mr. Speaker, rapid acquisition of capabilities to manufacture machine tools to support industrialization is a major priority under Ghana CARES. Support is therefore being provided to the Ministry of Environment, Science, Technology and Innovation (MESTI) to establish and equip a Foundry to enable the fabrication of machinery and tools. The process to identify a suitable private sector operator to manage the Foundry is ongoing. We are also providing incentives to the private sector to manufacture key agricultural implements and prototype industrial research on a commercial basis.

169. Mr. Speaker, the Tourism, Arts and Culture sector was perhaps the most affected by this pandemic. Government is cognisant of the enormous potential of this sector in creating jobs, earning foreign exchange and projecting Ghana for investment. Led by the Ministry of Tourism and Creative Arts, we are therefore aggressively promoting international and domestic tourism through Ghana CARES by supporting the modernisation and development of identified tourist sites. We are also upgrading the skill sets of sector operators, working to reduce the cost of doing business and improving the competitiveness of enterprises in the sector, as well as transforming targeted tourist beaches such as Sakumono, Axim and Elmina to increase patronage.

170. Mr. Speaker, Ghana CARES is providing catalytic investment through the Ministry of Communications and Digitalisation for the development of communication infrastructure this year. In addition, the Ministry is also being supported to establish digital and innovations hubs in other cities of the country beyond Accra.

171. Mr. Speaker, Government is consolidating and expediting projects on Smart Workplace, National ID, Digital address systems, Land Records Digitisation, Births and Death Registry, Health Records Digitisation, virtual learning platforms this year to bridge the digital divide for the benefit of all citizens.

172. Mr. Speaker, ongoing efforts to consolidate the fibre assets of VRA, ECG, GRIDCo, Ghana Gas, BNC, GIFEC and others are being sustained under this programme. We are also enhancing the capacity of key institutions and improving coordination with the private sector for quality service delivery to facilitate business expansion and economic transformation.

173. Mr. Speaker, Government is aware of the critical importance of additional revenue to finance all these initiatives that underpin our recovery and transformation agenda. Indeed, we are committed to raising our tax-to-GDP ratio from the current 14 percent to 20 percent as our peers in the sub-region. The Ghana Revenue Authority is therefore implementing a transformation agenda to block the huge leakages in key sectors of the economy. This transformation agenda is not just about mobilising more revenues, it is equally about doing so efficiently through technology and integrated data systems.

174. Mr. Speaker, we have also established the **Revenue Assurance and Compliance Enforcement (RACE)** Initiative to complement the efforts of

the Ghana Revenue Authority (GRA). The remit of RACE is to identify and eliminate revenue leakages while reinforcing the culture of compliance nationwide. A formal launch of this Initiative is scheduled for early August, 2021.

175. Mr. Speaker, Government has already highlighted the crucial role the Ghana Investment Promotion Centre (GIPC) has to play in our recovery and transformation agenda. To enable the GIPC assist in mobilising the GH¢70billion in private sector investment target under Ghana CARES, we are supporting the GIPC to be aggressive and more targeted in seeking investment into the prioritised sectors. The intentional and dedicated effort to attract global and regional brands in the likes of Twitter, Google will be re-invigorated and leveraged to grow local enterprises.

176. Mr. Speaker, early 2020, His Excellency the President charged his Government to seize the opportunities the COVID-19 pandemic presents and do things differently to meaningfully change our country. This is the spirit that has motivated the design and implementation of the Ghana CARES Programme so far, and it is the spirit that will continue to drive implementation going forward on our journey towards economic transformation and true economic independence; a journey to a Ghana Beyond Aid.

3.2 Other Government Interventions

177. Mr. Speaker, in addition to the interventions outlined in the Ghana Cares "Obaatan Pa" Programme, to revitalise the economy and promote job creation, Government will continue implementing a number of ongoing strategic interventions to improve the enabling environment for private sector development, entrepreneurship, and youth employment by leveraging digitalisation and intra-regional trade for economic transformation.

178. Mr. Speaker, permit me to highlight on progress made on selected areas as presented in this session. In order to consolidate the gains from job creation policies and interventions, government will adopt a more integrated and collaborated approach to improve coordination of job creation interventions.

3.2.1 Employment and Job Creation

National Unemployment Insurance Scheme (NUIS)

179. Mr. Speaker, as part of measures to mitigate the impact of unanticipated future socioeconomic crisis such as COVID-19 pandemic on Ghanaian workers, government announced in the 2020 Mid-Year Review of Fiscal Policy the establishment of a National Unemployment Insurance Scheme (NUIS) and Training/Retraining Programme as part of the Ghana CARES Obaatan Pa programme. The scheme will provide temporary income support to workers who lose their jobs through no fault of theirs but as a result of unanticipated events. The Scheme also comprises a Training /Retraining component to assist the unemployed improve their skills or acquire new skills to increase their

chances of securing a new job. The NUIS will also feature other active labour market programmes including job search assistance.

180. Mr. Speaker, whilst we are currently in the design phase of the NUIS, the implementation of the Training and Retraining component of the Programme has been frontloaded and it is at advanced stages of implementation. Government together with Social Partners have decided to pilot the national training and retraining programme in the two sectors that were mostly affected by the pandemic, namely private education sector and the hospitality and tourism sector. Under the supervision of the Steering Committee, the Technical Committee both with representatives from Ministry of Finance, Ministry of Employment and Labour Relations, Organised Labour and Employers Association, in consultation with relevant stakeholders, have developed a concept note, a training plan, the relevant courses, and the beneficiary selection criteria. The necessary procurement approvals have been secured and the website platform for the implementation of the project has been designed. The first phase of the Training/Retraining programme will be launched by end September and rolled out across the country by the end of the year.

181. Mr. Speaker, on the NUIS, key stakeholders are currently being consulted to inform the design of the scheme. The consultations will be scaled up to include more stakeholders and technical experts to ensure that the project design suits the Ghanaian labour market.

182. Mr. Speaker, unemployment continues to be a key challenge to the national development agenda. A significant proportion of the labour force, particularly the youth, is faced with the challenge of not finding jobs within the labour market. The Ghana Living Standards Survey Round Seven, 2019 (GLSS 7) of the Ghana Statistical Service (GSS) estimates, that the overall unemployment rate for the country is 8.4 percent whereas the youth unemployment rate (15-35 years) is 12.6 percent.

183. Mr. Speaker, government has been implementing programmes and strategies to address the problem. These include, the National Youth Employment Programme which metamorphosed into the current Youth Employment Agency (YEA), Nation Builders' Corps (NABCo), National Entrepreneurship and Innovation Programme (NEIP), Microfinance and Small Loans Centre (MASLOC), Planting for Food and Jobs (PFJ) Programme, among others.

184. In addition to these active labour market policies and interventions, government has also implemented some economic transformation and industrialization policies aimed at stimulating the economy and creating the enabling environment for enterprises to thrive.

Inter-Ministerial Strategy for Job Creation

185. Mr. Speaker, Government has announced its intention to create at least one million jobs within the next 3 years. The Ministries of Employment and Labour Relations (MELR), Lands and Natural Resources (MLNR) as well as Youth and

Sports (MoYS) have been charged to implement an Inter-Ministerial Strategy for Jobs to achieve the desired one million jobs. An Inter-Ministerial Coordinating Committee (IMCC) and Sector Technical Committees will be established to support the implementation of programmes and sub-programmes.

186. Mr. Speaker, key components of the strategy include the following programmes: Green Jobs and Sustainable Agriculture; Skills Development and Labour Outsourcing; Alternative Employment and Livelihood; and Creative Arts and Digitalisation.

187. Mr. Speaker, as part of efforts to address the unemployment situation, government from January –June, 2021 facilitated the employment of 201,855 persons through cooperative development programmes, the Youth Employment Agency, placement by public employment centres and private employment agencies.

188. Government will commence the implementation of the Ghana Jobs and Skills Project for the full operationalisation of the Ghana Labour Market Information System. The objective is to support skills development and job creation for Ghanaians. It also aims at helping the Government to better respond to the imperative of creating decent jobs for the youth and rapidly growing labour force.

Skills Training

189. Mr. Speaker, Government through the National Youth Authority, under the Youth in Agriculture programme secured 71 acres of land in 12 districts. Thirty acres out of the 71 were used for the cultivation of pineapple, maize, ginger, rice and fish farming. This resulted in the creation of 60 direct and 300 indirect jobs in Atwima Kwanwoma, Afigya Kwabre North, Sekyere South, Juaben, Ahafo Ano South and Ahafo Ano West Districts.

190. A total of 1,317 youth were given various skills training in areas such as; food and bakery, fashion and design, electronics among others in Bosomtwe, Afigya Kwabre North, Amansie West and Kumasi Metropolitan in the Ashanti Region. In addition, 587 youth were trained in hairdressing in Asokwa, Tafo, KMA, Kwadaso, Suame, Asokore Mampong and Tepa all in the Ashanti Region.

191. Mr. Speaker, currently the National Youth Authority operates 11 youth leadership and skills training institutes across the country. These institutes provide requisite skill sets in various trades such as carpentry, masonry, metal fabrication, ICT, fashion and design, for the youth to enable them become functional and contribute meaningfully to national development. The Authority increased the student intake into these institutes by 30 percent in the first half the year. Consequently, 2,983 have been trained in various vocational and technical skills.

192. A memorandum on the revised National Youth Policy was submitted to Cabinet for consideration. The policy will provide a comprehensive and coordinated framework for the delivery of services that support the total development of youth in Ghana to enable them take an active part in the socio-economic development of the country. It focuses on strengthening institutional capacities, facilitating the provision of innovative employable skills, as well as, removing social and economic barriers to the active participation of the youth in governance and community development for the next decade.

Small-Scale Mining for Sustainable Jobs

193. Mr. Speaker, the Ministry of Lands and Natural Resources organised a National Dialogue on Small Scale Mining from 14th to 15th April, 2021. Following this, two Regional Dialogues were held in the Middle and Northern belts. The quest to sanitise the small-scale mining industry is unrelentless, and several measures are being put in place to build a sustainable, viable and responsible small-scale mining industry that protects the environment.

194. Mr. Speaker, a national symposium on the new Land Act, 2020 (Act 1036) was held to sensitise the nation on the requirements of this new law. Following this, the Lands Commission commenced the process of regional education and sensitisation on the law.

195. Mr. Speaker, the Ministry is also taking measures to protect forests and recover lost ones. These measures include: The Green Ghana Project under which over five million trees were planted on June 11, 2021, (the Green Ghana Day); the outright ban on the harvesting and exportation of rosewood; and the declaration of forest reserves as red zones for mining.

Alternative Employment and Livelihood Programmes for Illegal Small-Scale Miners

196. Mr. Speaker, the Ministry of Lands and Natural Resources will soon launch a National Alternative Employment and Livelihood Programme for illegal small-scale miners affected by the activities of Operation Halt II.

197. This programme will be anchored on six main interventions namely: National Land Reclamation and Re-afforestation; Agricultural and Agro-processing; Apprenticeship, Skills Training and Entrepreneurship; Responsible, Viable and Sustainable Community Mining; and Mine Support Services and Community Enhancement Projects. These initiatives will target mainly illegal miners displaced by the ongoing efforts to sanitise the mining industry. Government recognises the need to protect our environment just as it finds it necessary, to provide alternative employment and livelihoods for our compatriots who will inevitably fall through the cracks.

198. The Inspectorate Division of the Minerals Commission will be strengthened to undertake monitoring and strict enforcement of our mining laws, to ensure the effective functioning of community mining and other small-scale mining operations.

Labour Relations

199. Mr. Speaker, Government, Employers and Organised Labour, for the first time, concluded negotiations on the National Daily Minimum Wage (NDMW) and public sector Base Pay for two consecutive years, 2021 and 2022 in early July this year. It is worth noting that at negotiations of the NDMW by the Tripartite Committee and Base Pay by the Public Service Joint Standing Negotiating Committee (PSJSNC) the various labour unions in the public sector were well represented.

200. Mr. Speaker, given the current economic difficulties faced by the world all over from COVID-19, hard compromises had to be made by both parties. At the end of negotiations both parties agreed to an increase of 6 percent and 8 percent in the NDMW and 4 percent and 7 percent in the Base Pay for 2021 and 2022, respectively. The agreement was hinged on a pledge by Government within the agreement period, not to declare redundancy of any public sector worker, to continue to employ into the public service, to vaccinate all workers against COVID-19, and pay social security contributions (with special reference to the second-tier contributions) regularly.

201. Mr. Speaker, further to this, Government continues to negotiate with unions on other aspects of conditions of service, other than salaries, that enure to the benefit of workers across the public sector. Government also pledges to work with labour to ensure fairness in remuneration of all categories of public sector workers.

202. Mr. Speaker, it is worth noting that, even at the peak of the current pandemic and the resultant dip in revenues, Government never defaulted in payment of salaries or laid off workers in the public service as was the case in the private sector. In as much as Government identifies with the current difficulties being faced by workers, it must also be recognised that the current pandemic has derailed key successes chalked towards economic stability in the country. Thus, we urge labour to continue to partner with Government to rebuild our economy.

3.2.2 Communication and Digitalisation

203. Mr. Speaker, over the past four years, Government has embarked on several innovations to propel Ghana's development in the belief that leveraging technology improves efficiency, traceability of transactions, delivery of public services and will significantly support the transformation of our economy.

204. Mr. Speaker, digitalisation has been adopted in the development of the National ID system, digital address system, interoperability of payment systems and the Ghana.Gov Platform. Additionally, Ghana became the first African country to introduce a Universal QR Code, which enables consumers to make instant payments for goods and services, from different sources including bank accounts, mobile wallets and cards.

205. The National Identification Authority enrolled 15,584,876 Ghanaians on the National Identity Register (NIR) and issued 11,492,129 Ghana Cards to

Ghanaians aged 15 years and above as at June, 2021. Additionally, 81,789 foreigners were also enrolled on the National Identity Register and issued with Non-Citizen Identity Cards as at June, 2021.

206. The National Digital Address System was launched in 2018 and this facilitated the identification of properties in Ghana by a digital address. Ghana Post, District Assemblies, and the Land Use and Spatial Planning Authority, have worked together to generate unique digital and street addresses for residential and commercial properties. The process of placing a unique digital street address plate on each property is ongoing and will be completed by the end of 2021.

207. In addition, the digital driver's license and vehicle registration, digitised motor insurance database, online application for passports, paperless port systems, and digitisation of the renewal of the National Health Insurance Scheme (NHIS) membership are being implemented to improve service delivery and increase efficiency.

208. Mr. Speaker, to achieve financial inclusion and cashless payments for services, a mobile money payments interoperability system is being implemented to enhance interoperability between bank accounts, e-Zwich accounts, and mobile wallets across all banks and telcos: this is the first of its kind in Africa.

209. The online filing of taxes, digitised procurement platform for the Public Procurement Authority, the E-case tracking in our courts, and linking the Digital Address System and the Birth and Death Registry are also being implemented. One of the important dividends from the Ghana Card is the recent integration with the NHIS card and the SSNIT pension card.

210. Another significant intervention is the automated and digitised Business Operating Permit (BoP) and license processing system being implemented in 29 Metropolitan, Municipal and District Assemblies (MMDAs) in the Greater Accra Region. This is integrated with the e-services platform of the Registrar General's Department to identify all new businesses in their jurisdictions.

211. Mr. Speaker, the implementation of all these interventions have resulted in the reduction of cost and turnaround time, built a comprehensive database of citizens, and increased efficiency in service delivery.

212. Mr. Speaker, as part of Government efforts to promote indigenous computer operating systems, the Advance Information Technology Institute- Kofi Annan Centre of Excellence (AITI-KACE) undertook advocacy and promotion of the recently developed Nyansapo Operating System (NOS) and its educational version, EDUNOS among Ghanaian schools.

213. The Ministry continued with the connection of MDAs and MMDAs to the SMART Workplace System to assist staff to work virtually due to the COVID-19 pandemic. The provision of Local Area Network connectivity for 17 MDAs and

MMDAs was completed to enable them connect to the SMART Workplace System. Since the inception of COVID-19 pandemic, 367 public institutions have been introduced to SMART Workplace to enable staff to work virtually from home.

214. Mr. Speaker, to provide security and ensure the verification of SIM card owners to prevent sim-boxing as well as mobile money fraud, the Ministry in collaboration with various stakeholders is finalising the processes for the SIM Card re-registration and Central Equipment Identity Registry.

215. Mr. Speaker, as part of efforts to improve digital infrastructure and connectivity, the Ministry will undertake the following:

- Complete 2,016 rural telephony sites under Ghana Rural Telephony and Digital Inclusion Project;
- Provide additional 1,400 sites for voice and data services;
- Ensure reliable, affordable, and secured broadband infrastructure to 12,000 rural communities;
- Extend aerial fibre coverage by 3,500km as backhaul to rural communities to improve quality of service and customer experience;
- Complete smart workplace programme for all MDAs and MMDAs;
- Provide appropriate and affordable devices for digitalization of 7,000 institutions in rural communities;
- Provide connectivity to 260 district assemblies, 16 regional coordinating councils, 100 districts and regional hospitals, 500 other government locations (police stations, post offices, other GIFMIS offices); and
- Upgrade the national data centre with additional storage capacity and Government cloud infrastructure as the primary data storage or data recovery site for all MMDAs.

216. Mr. Speaker, the Electronic Communications Act, 2008 (Act 775) will be amended to provide for the phased analogue switch off to digital terrestrial television. The phased analogue switch-off will be carried out on a regional basis to ensure that lessons from one region can be applied to another. The DTT network infrastructure and the awareness campaign for the migration from analogue to digital will be launched by the end of 2021.

Digitisation of the Records of the Lands Commission

217. Mr. Speaker, to promote effective and efficient administration of land, the Lands Commission is in the process of engaging a private partner with the required capital and expertise to undertake digitisation of the records at the Commission. Through this initiative, it is expected that registration of documents will take a maximum of one month.

218. The digitisation will also be a step forward towards the implementation of Electronic Conveyancing introduced by the Land Act. The last countrywide mapping of Ghana took place in 1978 and since then no effort has been made to map our country with its debilitating consequences on land administration.

This programme will provide for the development of a data bank on all landed properties in Ghana.

219. Mr. Speaker, with these interventions, government seeks to develop an efficient and robust land administration anchored on integrity, which responds to the needs of the citizenry and contributes to the development of the national economy.

Government Takeover of Airtel Tigo

220. Mr. Speaker, on 31st March 2021, Government signed a Sale and Purchase Agreement (SPA) with Bharti Airtel and Millicom which operates AirtelTigo to acquire 100 percent shares of the Company for the nominal consideration of US$1. This decision was taken to prevent the total collapse of the Company and ensure preservation of 500 direct and over 10,000 indirect jobs; and preserve small-scale Ghanaian companies that depend on the company for their wellbeing. The government intends to preserve this national asset, facilitate its restructuring for growth and eventual partnership, and promote a dynamic and competitive telecoms market.

3.2.3 International Trade

African Continental Free Trade Area

221. Mr. Speaker, trading under the African Continental Free Trade Area (AfCFTA) which seeks to create a single continental market for goods and services with free movement of persons and investment entered into force on 30th May 2019. To date, 54 Member States have signed the Agreement, which 40 have ratified. Further to this, 41 countries have submitted tariff offers while 33 state parties and non-state parties have submitted their initial offers to the Secretariat.

222. Mr. Speaker, trading officially started on 1st January, 2021 after a six-month delay on account of the COVID-19 outbreak. Ghana demonstrated its commitment to trade under AfCFTA by shipping its first consignment of goods, the first country to do so, on 4th January, 2021. Two Ghanaian companies Kasapreko Company Limited and Ghandour Cosmetics Limited exported goods to South Africa and Guinea, respectively.

223. A comprehensive National Action Plan for harnessing the benefits of AfCFTA has been developed under which an Enterprise Support Programme has been initiated, aimed at assisting 100 medium to large scale companies to export to the AfCFTA Market. The implementation of the programme is being coordinated by the newly established National AfCFTA Coordination Office.

224. Mr. Speaker, potential products for export to the AfCFTA market include: shea and shea products, processed vegetables and fruits, sauces and preparations, pharmaceutical products, alternate health care medicaments, beverages and spirits, dairy produce, cocoa and cocoa products, products of iron or steel, edible fruit and nuts, processed fish or meat, synthetic fibers, fertilizers,

aluminium products, and essential oils. The AfCFTA will enhance Government's current Industrial Development Agenda and contribute to the diversification of the Ghanaian economy.

225. Mr. Speaker, the removal of tariffs on goods from African countries will allow Ghanaian businesses to source cheaper inputs for production in Ghana. It will make locally produced goods more competitive and support the development of regional and continental value chains.

226. Mr. Speaker, additionally, Ghana will leverage the AfCFTA to facilitate our agenda to become a regional hub for financial services, manufacturing, and ports and logistics.

Trade Agreements

227. Mr. Speaker, a National Export Development Strategy (NEDS), coordinated by the Ghana Export Promotion Authority (GEPA) was also launched with a target of achieving US$25 billion in non-traditional exports by the year 2022. In this regard, a number of value-added products and commodities have been selected for enhanced production and export to key markets around the world.

228. Mr. Speaker, Parliament ratified the new Ghana-UK Interim Trade Partnership Agreement in July 2021. Among its key objectives, the Agreement seeks to: provide for trade continuity between Ghana and the UK; strengthen economic and trade relations between Ghana and the UK; and build the foundation for negotiating a free trade agreement between the UK and the Economic Community of West African States. The Agreement allows exports from Ghana to enter into the UK Market duty free, quota free and provides tariff preferences for 80 percent of goods exported from the UK into the Ghanaian market.

229. Mr. Speaker, the implementation of the Interim EU-Ghana Economic Partnership Agreement (iEPA) also commenced on 1st July, 2021. The iEPA guarantees duty-free, quota-free access to the EU market for products made in Ghana, whilst 80 percent of the total volume of EU exports will enter the Ghanaian market with tariff preferences. The removal of tariffs on intermediary goods and machinery imported from the EU under the iEPA will lead to cheaper inputs for production in Ghana. This will make locally produced goods more competitive and support industrial development and the country's integration into global value chains.

3.2.4 Status of Selected Government Interventions

One District One Factory (1D1F) Initiative

230. Mr. Speaker, Government continued to actively support the Private Sector even in the midst of the uncertainties occasioned by the COVID-19 Pandemic. Since the beginning of this year, a total of 28 projects, all of which are currently in operation, received support under the One District One Factory Initiative (1D1F). This brings the total number of 1D1F projects in operation to 104.

231. The number of 1D1F projects under construction as at end-June 2021 are 150, up from 107 at the end of 2020. This brings the total number of 1D1F projects at various stages of implementation to 278.

232. These companies have created a total of 150,975 direct and indirect jobs and it is expected that, when the 1D1F projects under construction are completed a cumulative number of 282,792 jobs will be created.

233. With respect to the facilitation of access to credit from local banks, a total amount of GH¢2.69 billion was mobilized from the participating financial institutions as loans. This amount has been leveraged through the disbursement of an amount of GH¢260.9 million by Government.

234. Since the inception of the 1D1F initiative, Parliament has granted exemptions from import duty payment for the importation of machinery, equipment and raw materials to 36 companies amounting to GH¢435.29 million. In addition, Government has supported the companies with extension of electricity and access roads to factory sites.

235. Over the next six months, the Ministry will collaborate with the participating financial institutions to provide support to business promoters interested in establishing 1D1F projects in districts currently without projects.

Strategic Anchor Industries

236. Mr. Speaker, Toyota Tsusho commissioned in June 2021 an assembly plant in Ghana for Toyota and Suzuki brands of vehicles, after successfully registering as a bonafide vehicle assembler under the Ghana Automotive Development Programme. This brings the number of assemblers operating under the Programme in Ghana to three, including Kantanka Automobile and Volkswagen Ghana Limited. Nissan and KIA are expected to establish two additional plants by the end of 2021.

237. Mr. Speaker, the Ministry has also acquired new premises to establish an Automotive Development Support Centre to promote vehicle financing, regulate vehicle standards, and drive innovation in the manufacturing of component parts and accessories to supply local assemblers.

238. Mr. Speaker, under the Automotive Industry Development Council Bill, soon to be put before Parliament, the Ministry will establish the Auto Council as a consultative body of stakeholders to effectively address any issues related to automotive assembly activities.

Industrial Parks and Special Economic Zones (SEZ)

239. Mr. Speaker, under the Ghana Economic Transformation Project, the Ministry of Trade and Industry has initiated the process of developing a policy framework, regulatory mechanism and institutional structure to support the establishment of Industrial Parks and Special Economic Zones in the country. The implementation of the Greater Kumasi Industrial Park and SEZ Project has

been initiated with the acquisition of 5,000 acres of land for the project. The environmental safeguard study for the project is expected to commence before the end of the year.

Planting for Food and Jobs (PFJ)

240. Mr. Speaker, Government continued the implementation of the five main modules of the Planting for Food and Jobs (PFJ) flagship programme. The aim is to sustain the gains achieved in increased productivity of selected crops, food security and job creation after a successful first phase from 2017 to 2020.

241. Mr. Speaker, in the first half of 2021, the Ministry procured and distributed 4,666MT of improved seeds and 120,520MT of fertilizer to beneficiary farmers in the Southern Sector. The low distribution of seeds is partly due to the late start of rains in the Southern Sector.

242. In the second half of 2021, the Ministry will distribute additional 35,349MT of improved seeds and 405,480MT of fertilizer to 1.5 million beneficiary farmers across the country. This is expected to contribute to an estimated production volume of 3.6 million MT of maize, 1.1 million MT of rice, 232,600MT of soya beans, 67,500MT of sorghum, 12,500MT of cowpea and 10,000MT of groundnuts.

Livestock Development Module - Rearing for Food and Jobs (RFJ)

243. Mr. Speaker, in the first half of 2021, about 86,000 cockerels, 1,500 small ruminants, 43,200 broiler day old chicks and 1,500 pigs were procured and supplied to beneficiary farmers. In addition, 144,000 layers and 100,000 broiler day-old chicks have been ordered for distribution to beneficiary poultry farmers across the country. Additionally, 1,200 poultry battery cages were procured to house the 144,000 day-old chicks after they have been brooded to layer pullets. The cages will be distributed to 1,200 female poultry farmers.

244. The Ministry completed the construction of 10 out of 11 livestock housing units and 11 mechanised boreholes for 11 livestock breeding stations. In the second half of 2021, the Ministry will take delivery of the 144,000 layer pullets and 100,000 broiler day-old chicks and distribute same to 1,200 female poultry farmers and 200 poultry farmers, respectively. Additionally, the Ministry will start rehabilitation of five staff bungalows in three livestock breeding stations.

Greenhouse Villages Module

245. Mr. Speaker, the management contract for the three Greenhouse training centres with commercial components at Dawhenya, Akumadan, and Bawjiase has ended. The Ministry is in the process of recruiting a management consultant to manage the commercial units of the greenhouses.

246. Additionally, the Ministry completed the establishment of 100-kit commercial greenhouse production unit at Dawhenya. As at end-June 2021, sixty (60) graduates have completed training in greenhouse technology at the three

Training Centres. This brings the cumulative number of graduates trained to 536 graduates, made up of 396 males and 140 females since 2018.

Agricultural Mechanisation Module

247. Mr. Speaker, as part of efforts to improve farmers' timely access to appropriate farm machinery and equipment for agricultural production and increased productivity, the Ministry continued with the distribution of various subsidized farm machinery and equipment (tractors, thresher, maize shellers, planters, boom sprayers). So far over 80 individual farmers, farmer-based organisations and service providers benefitted from the subsidized farm machinery. In addition, 1000 units of handheld motorized rice reapers were distributed to the 16 Regional Department of Agriculture offices for distribution to selected 247 rice farmer groups nationwide to enhance the mechanization of paddy rice harvesting.

248. Mr. Speaker, over 200 tractor and combine harvester operators, and mechanics were trained in the Adidome and Wenchi Farm Mechanisation Centers to effectively handle the agricultural machinery.

249. The Ministry will further take delivery of a range of agricultural machinery and equipment including combine harvesters and processing equipment under the More Food Programme to boost mechanization development.

Plant Protection and Regulation

250. Mr. Speaker, the Ministry continued to increase surveillance on Fall Army Worm (FAW) infestation across the country. During the period under review, a total of 97,000 litres and 14,000kg strategic stocks of insecticides were procured and distributed to all 16 regions for FAW management. A total of 47,168 Ha was sprayed and recovered. In the second half of 2021, the Ministry will procure 2 screen houses and three mass biological rearing facilities for rearing and release of 3 million parasitoids for control of FAW.

One District One Warehouse

251. Mr. Speaker, in support of the "One District One Warehouse" intervention, the Ministry initiated the construction of 30 warehouses. To date, 22 out of the 30 warehouses are completed and the remaining 8 are scheduled for completion by end of 2021.

252. The Ministry officially took over the 50 warehouses that were being constructed under the erstwhile Ministry of Special Development Initiatives (MSDI). At the time of takeover, 42 of the projects were completed and the remaining eight scheduled to be completed by end of 2021.

Road Sector Development

253. Mr. Speaker, His Excellency the President, in his inaugural speech on 7th January, 2021 declared 2021 as the "2nd Year of Roads" with the intention of prioritising roads for economic development and putting the economy back on track following the devastating effects of the COVID-19 pandemic.

Rehabilitation and Maintenance

254. Mr. Speaker, from January to end June 2021, routine maintenance was carried out on 11,174km of the trunk road network; 5,389km of the feeder road network; and 2,937km of the urban road network to protect the huge investment made by Government in the provision of road infrastructure. Additionally, periodic maintenance comprising; re-gravelling/spot improvement and resealing works were carried out in the same period on 44km, 167km and 262km of the trunk, feeder and urban road networks respectively.

255. Mr. Speaker, 1,445km of asphalt overlay works have been completed in the following areas since 2017, with 243km undertaken in 2021 as shown in Table 8.

Table 8: Areas of work completed

REGION	AREA
Greater Accra	Ashongman, Lapaz (Petroleum), Airport Residential Area, Trinity Seminary, Ga Central, Kwashiman-Ofankor, Chapel Street/Link, Dzorwulu, Tema East, Dansoman, East Legon, Tantra Hill, Ga West Roads, Tema, Baatsona, Shiashie, Roman Ridge, Ofankorm, Burma Camp.
Eastern	Kyebi, Koforidua, Oda, Suhum, Nana Asafo Adjei – Mile 50, Akim Oda
Upper East	Regional Hospital Road, Bolga
Western	Chapel Hill, Kwesimintim Sawmill, Assakae, New Takoradi, GPHA Quarters
Ashanti	Tech Jnc – Anloga Jnc, Tafo, Suame, Moshie Zongo, Buokrom, Kwadaso, Bantama, Manhyia, Mampong, Obuasi, Subin
Central	Winneba (Anglican Church – Copa Jnc. Rd.), Winneba-Oda Road, Bawjiase Road, Swedru SHS Roads
Bono	Sunyani, Berekum
Volta	Hohoe Town Roads, Kpeme Area Roads

Source: MoRH

256. Minor rehabilitation works covering minor upgrading and the construction of culverts and drainage structures were carried out on 59km of trunk roads, 126km of the feeder and 443km of the urban road networks, respectively.

Road and Bridge Construction Programme

257. Mr. Speaker, the Pokuase Interchange under the Accra Urban Transport Project was completed and commissioned by His Excellency, the President. This involved the construction of a 4-tier interchange, construction of 12km of selected roads, segregated walkways, footbridges and underpasses and drainage structures.

258. Mr. Speaker, works were completed on the Tema Motorway roundabout (Phase 1) in June 2020. The 2nd Phase of the project which involves the 3rd tier of the interchange is expected to take off by Q3-2021. Following the completion of Phase 1 of the Obetsebi Lamptey Circle Interchange and other ancillary works,

works on Phase 2 has started and is currently at a physical progress of 15 percent.

259. In 2020, works were also started on the La Beach Road Project (Lot 1 & 2) which involves improving capacity along the Accra Tema Beach Road and the construction of a 3-tier interchange at Nungua Barrier. Physical progress for Lot 1 and Lot 2 is 13 percent and 11 percent, respectively.

260. Physical progress of works on the Kumasi Lake Roads and Drainage Extension projects is 73 percent complete as at the end of June 2021.

261. The construction of 7No. bridges: Kulun, Garu (2No.), Ambalara, Kulungugu, Doninga and Sissili in the Northern Region were completed. In addition, works were completed on 13No. Spanish Bridges located in Detsebu, Dayi, Tsawoea, Alabo, Osiem, Birim, Akora, Osene, Okyi, Bukam, Linkale and Mogli. Works on 5No. Belgium Bridges are nearing completion with 4No. launched and 1No. at sub-structure level. Overall progress is 70 percent as at the end of June 2021.

262. Mr. Speaker, works begun in 2020 for the construction of 50No. bridges nationwide aimed at improving connectivity within areas cut-off by waterways. The first batch of 21 steel bridge components have arrived in the country. Works have started on 14No. substructures and 3No. were completed.

263. Government has awarded contracts for the implementation of 84No. critical regional and inter-regional road projects with an estimated length of 2,237.51km at a cost of GH¢7,839 million.

264. Mr. Speaker, under the Master Project Support Agreement (MPSA) with Sinohydro Corporation Limited, the first phase comprising ten Engineering, Procurement and Construction (EPC) Contracts for 442km of roads and 2 interchanges are at various stages of completion as follows:

Table 9: List of Sinohydro Projects

Lot No.	Description	Unit	Scope	Status of Completion
1	Tamale Interchange Project	No.	1	73%
2	PTC Roundabout Interchange Project, Takoradi	No.	1	Piling works have started
3	Sunyani Inner City Roads	km	39	5%
4	Western Region and Cape Coast Inner City Roads	km	32.19	60%
5	Upgrading of Selected Feeder Roads in Ashanti and Western Regions	km	68	55%
6	Construction of Hohoe-Jasikan–Dodi-Pepesu	km	66.4	65%

Source: MoRH

Public-Private Partnership Road Projects

265. Mr. Speaker, Government policy is to create an enabling environment for the private sector to participate in bridging the nation's infrastructure deficit. In this regard to actively engage the private sector, Government in December 2020 passed the Public-Private Partnership Act to enable provision of infrastructure and services through the use of private sector resources.

266. Mr. Speaker, under the Government's Public-Private Partnerships (PPP) programme for the financing, construction and management of road infrastructure, four projects have been selected and are at different stages of preparation:

- **Accra–Tema Motorway PPP Project (31.7Km) –** An MOU was entered into with GIIF to facilitate the transaction related to the Design, Finance, Build, Operate, and Maintain the Accra-Tema Motorway project. It is expected that the PPP transaction will be completed within the course of the year to enable the construction take off;

- **Accra – Takoradi PPP Project (208Km) –** The Final Feasibility study report will be submitted by end of August 2021 and will provide key inputs into the Abidjan-Lagos corridor project;

- **Accra – Kumasi Expressway Project (245Km) –** The Ministry has reviewed the Proposal on the Yawkwei – Konongo – Ejisu Section. MRH has signed MOUs with interested Proponents for other sections of the corridor including Anyinam to Nkawkaw and Nkawkaw to Konongo. The Ministry has initiated steps to formally determine the Contract for the previous Feasibility Study assignment which did not attain effectiveness by virtue of the Proponent's inability to secure financing for the project; and

- **Development of Tema Arterial Roads** – Government continued its engagement with the Proponent in the development of the Project. Government is currently exploring available financing options to ensure an early start-up of the Project.

267. Mr. Speaker, for the second half of the year, about 50km of trunk roads, 25km of urban roads, 5No. bridges, 24No. feeder roads, 3No. urban road networks are expected to be constructed. Additionally, engineering studies on 3No. trunk roads, 2 No. feeder roads and 10 urban roads will be completed.

268. Mr. Speaker, the Government is on course to complete 12,500km, 25,000km and 3,500km of routine maintenance activities (grading, pothole patching, shoulder maintenance, vegetation control) on trunk, feeder and urban road networks respectively. Additionally, periodic maintenance activities (spot improvement, re-gravelling, resealing, asphaltic overlay, partial reconstruction, maintenance of bridges and culverts) will be undertaken on 23km, 800km and 300km of trunk, feeder and urban roads, respectively. In addition, the Ministry

will undertake minor rehabilitation works on 72km of trunk roads, 500km of feeder roads and 30km of urban roads.

269. To improve road safety, 20No. traffic signals will be installed, and maintenance will be carried out on 310No. of installed signals. 50No. road safety hazard sites are expected to be treated.

270. The following Bridge projects are expected to take off before the end of the year:
- Buipe, Yapei and Daboya Bridges;
- Dambai – Doiokokpe Bridge; and
- Adawso – Ekyi Amanfrom.

Rehabilitation of Sunyani Airport

271. Mr. Speaker, the Sunyani Airport was originally constructed as an Airstrip, and later upgraded into an airport in 1969. The airport currently has a total runway length of 1,520 meters made up of 1,400 meters paved and 60 meters unpaved Runway End Safety Area (RESA) at both ends. It has the capacity to handle and process 100 passengers per hour. Since the commencement of commercial operations, the airport has not had any major renovation works, resulting in the poor state of the airport including cracks and potholes on the runway.

272. In 2015, Ghana Airports Company Limited (GACL) and Ghana Civil Aviation Authority (GCAA) shut-down the airport as a precautionary measure to forestall any disaster. The rehabilitation and expansion of the airport is being carried out in phases.

273. In order to improve infrastructure and reopen the airport for commercial operations, a contract was awarded in 2018 for the rehabilitation of the existing runway, minimal renovation of the terminal building, construction of some airport internal roads and other auxiliary facilities. Rehabilitation works is 94 percent complete.

The Railway Development Programme

274. Mr. Speaker, in the first half of this year, significant progress was made on the Western Railway Line and the Ghana – Burkina Faso Railway Interconnectivity project. The construction of the new standard gauge section of the Western Line from Kojokrom to Manso, with a distance of approximately 22km which commenced in January 2018 is currently about 60 percent complete and is expected to be completed by March 2022.

275. Mr Speaker, the continuation of the new standard gauge Western Line from Manso to Huni Valley including a new standard gauge rail connection to the Takoradi Port is expected to commence in September 2021.

276. Mr Speaker, we are pleased to announce that the 97.7km Tema-Mpakadan new standard gauge railway line project is currently about 87 percent complete. This

line forms part of the Ghana – Burkina Faso Railway line which will facilitate rail interconnectivity from the Port of Tema to Ouagadougou. The section from Mpakadan to Ouagadougou has been earmarked for development in partnership with the private sector under a Public-Private Partnership arrangement.

277. Mr. Speaker, the completion of these projects will facilitate the cost effective haulage of bauxite and the implementation of Government's Integrated Aluminium Development Programme and thereby promote job creation in the bauxite mining , smelting and refinery value chain.

Ghana Infrastructure Investment Fund

278. Mr. Speaker, the Ghana Infrastructure Investment Fund (GIIF) was established to mobilise, manage, coordinate and provide financial resources for investment in infrastructure projects and ease the burden of quasi-public debt on our budget.

279. Over the last decade, we have witnessed an increasing trend where sovereign funds have been deployed as catalysts for growth and development in emerging markets such as Asia and the Middle East. This is also beginning to be adopted in Africa, and Government intends to allow GIIF to play a similar role.

280. Government intends to reduce our infrastructure gap by enabling GIIF to drive sizeable but economically viable infrastructure projects, which is expected to create some fiscal space for the Government to operate.

281. Mr. Speaker, GIIF is being strategically repositioned to support the funding of key infrastructure by leveraging both public and private sector funding under various partnership agreements. In this regard, GIIF will be used as the vehicle to restructure and refinance expensive debt of the Independent Power Producers in the energy sector as well as take equity positions in some cases to help reduce the fiscal burden of overcapacity charges. Negotiations with several of the Independent Power Producers are in their final stages.

282. Under the Ghana CARES Programme, GIIF will drive our structural transformation through funding for critical infrastructure such as the Agenda 111 health infrastructure project, quality and affordable housing projects, improved rail and road networks as well as ICT infrastructure.

283. In line with this, the Earmarked Funds Capping and Realignment Act, 2017 (Act 947) was amended to allow a 20 percent increase in the allocation of ABFA to GIIF for the funding of development projects.

Free Senior High Schools (SHS) Programme

284. Mr. Speaker, the free SHS School Policy has since its inception been financed from the Annual Budget Funding Amount (ABFA) and Government of Ghana (GoG) funding sources. Over the five years, a total amount of GH¢7.62 billion has been allocated to implement the Free SHS Programme. Out of this amount,

GH¢4.18 billion was sourced from GoG, representing 54.76 percent, while the balance of GH¢3.44 billion, representing 45.24 percent, came from ABFA.

285. Mr. Speaker, a total of 423,320 first year students were enrolled for the 2020/2021 academic year bringing the current number of Free SHS beneficiaries to 1,261,125.

286. Mr. Speaker, five years after the implementation of the Free SHS, 411 students, constituting 88 percent out of the 465 candidates who scored grade A in all subjects at the 2020 WASSCE, were beneficiaries of the Free SHS.

287. Mr. Speaker, the under-listed educational items were procured and distributed to the schools as part of the implementation of the free SHS programme for the 2020/2021 academic year:

- 4,135,284 Exercise Books;
- 1,767,547 Note Books;
- 395,571 P.E. Kits;
- 1,734,800 Cartridge Art Paper for Visual Arts Students;
- 34,696 Water-Based Acrylic Paints for Visual Arts students;
- 27,391 Technical Drawing Boards; and
- 27,391 Technical Instruments.

288. The Ministry commenced the construction of 1,135 infrastructure projects at the secondary level as a means of creating enough space to accommodate the increasing number of students. A total of 50 projects made up of classrooms, dormitories, Administration blocks, libraries and canteens were completed this year to bring the total number of completed projects under the Senior High School Infrastructure Interventions to 589.

Security

289. Mr. Speaker, even though Ghana remains a pillar of stability in the region, the sub-regional security situation continues to be rather volatile. Terrorist threats and general cross-border security issues are becoming increasingly imminent in view of the continuous terrorist attacks in the Sahel Region and particularly from Mali and Burkina Faso.

290. In particular, the southward drift of the activities of violent extremists, terrorists and pirates in the Gulf of Guinea (GoG) have become more widespread, frequent and deadly, with the underlying dynamics growing increasingly complex and posing high risks to littoral countries. There were as many as 5,845 fatalities to terrorist related activities in 2020, a 21 percent increase in the 2019 figure of 4,825 in the West African Sub-Region.

291. Mr. Speaker, it has become imperative to address the existing vulnerabilities, and intensify pre-emptive, preventive and counter measures to any potential threats to our security and sovereignty in the light of the risk of the sub-region suffering from the contagion effects in the short to medium term.

292. Following an assessment of the threat on the Northern border of the country, Government has deployed a robust pre-emptive and preventive response along the border. Plans are underway to install state of the art ground and air Integrated Intelligence Infrastructure, upgrade immigration border cabins at the major entry points, and integrate communications infrastructure which will be reinforced by heavy military deployment with ground and air support in the short-term.

293. Mr. Speaker, Government has revamped and retooled the Ghana Boundary Commission since the beginning of 2021 to undertake its strategic mandate of determining and demarcating the land boundaries and the delimitation of maritime boundaries of Ghana in accordance with accepted principles of international law. Government will further support the Ghana Boundary Commission to enhance their operations to ensure that our land and maritime boundaries with our neighbouring countries are secured and protected.

294. Mr. Speaker, we are also working to further retool the Intelligence Agencies through the deployment of enhanced Intelligence Infrastructure to ensure that the intelligence agencies are able to effectively provide early warning as well as targeted responses to any envisaged threat.

295. Mr. Speaker, the Ministers for National Security, Defence, and Interior have begun extensive consultations with the Defence and Interior Committee of Parliament with the objective of designing a holistic strategy to retool our security agencies and bring them up to the desired standards under the National Security strategy. Implementation of this strategy will be critical if we are to preserve the peace, order and security of the State.

296. Mr. Speaker, Ghana continues to demonstrate leadership on sub-regional security issues, coordinated through the Accra Initiative, which serves as a coordinating and intelligence sharing platform with neighbouring countries with the objective of preventing spillover of terrorist activities from the Sahel, and to address transnational organised crime and violent extremism in member countries' border areas. The countries forming the initiative are Benin, Burkina Faso, Cote d'Ivoire, Ghana, Mali, Niger and Togo.

297. Mr. Speaker, owing to our consistent track record of a stable democracy, good governance, respect for rule of law, able political leadership in a volatile sub-region and notable leadership in the region, the African Union and ECOWAS unanimously endorsed Ghana's membership as a non-permanent member to the United Nations Security Council. When polls closed on 11th June 2021, Ghana had the highest number of votes of 185 out of 190 ballots. Consequently, Ghana will begin her term on the UN Security Council from 1st January, 2022 and serve until 31st December, 2023.

298. Mr. Speaker, Government is committed to transforming the Ghana Armed Forces (GAF) into a world class security services and has initiated a Barracks Regeneration Programme which consists of the provision of modern infrastructure including accommodation, health, and education facilities.

299. Additionally, Government has also initiated a programme of retooling and re-equipping the Armed Forces to perform their mandate of safeguarding the sovereignty and territorial integrity of the nation, as well as ensuring the protection of life and property.

300. The following underlisted projects have been completed while others are at various stages of completion:

Barracks Regeneration

- Four Blocks of 16-Units Flats each were commissioned as part of BRP in Burma Camp. In addition, 11 four-storey blocks of 16 flats and 160 two-bedroom accommodation units are under construction in other garrisons across the country;

- **Commander-In-Chief's (C-in-C) Sports Centre:** The Commander-In-Chief's Sports Centre at 6 Garrison, Tamale was initiated on 3rd May, 2019. Works on the stadium is 85 percent complete;

- **Retooling of the GAF**: Various equipment were acquired for GAF in an effort to retool them to enhance their combat and operational capabilities. Pick-ups, SUVs, trucks, high occupancy buses, ambulances and armored personnel carriers have been added to the inventory of the GAF over the period. Government will continue to retool the Military to ensure combat readiness towards emerging security threats; and

- **Construction of a Forward Operating Base (FOB):** His Excellency the President cut the sod on 16th December, 2019 to commence the construction of a Forward Operating Base (FOB) at Ezinlibo close to the Western border to protect the country's oil, gas and other natural resources. The FOB will improve the Navy's response time to the oil fields at the Western border. The project also includes acquisition of high-speed phantom boats and associated equipment. Work is progressing steadily.

301. Government aims to establish 15 FOBs across the country, 8 of which will be in the Northern part of Ghana, to prevent cross border crimes and terrorist infiltration**.**

Military Hospitals

302. The infrastructural works and medical equipment installation to ensure completion of the 500-bed Military Hospital at Afari, Kumasi will be continued. The execution of Phase III of the 37 Military Hospital will also commence.

Developing Ghana into a Film and content Hub

303. Mr. Speaker, to create a world class sustainable film industry, the National Film Authority was set up in December 2019 under the Development and Classification of Film Act, 2016 (Act 935) to oversee, regulate and develop the film industry in Ghana. The Act also provides the legal framework for the production, regulation, nurturing and development of the Ghanaian film industry.

304. Mr. Speaker, the positioning of Ghana as a film hub will encourage investments into the sector, positively impact on the branding of Ghana as well as promote capacity building and knowledge transfer.

305. Mr. Speaker, the Authority will organise the Presidential Film Pitch Series for Ghanaian filmmakers to engage investors, broadcasters, distributors, sponsors and platforms around the world for potential collaborations, sponsorships, investments, sales and advertising opportunities.

Energy Sector Development

Power Sector Development and Management

306. Mr. Speaker, as part of the strategic objective of creating an energy hub and a "Borderless Sub Region" for unrestricted flow of electrical energy, GRIDCo is undertaking transmission system improvement projects aimed at enhancing reliability of power supply and improving power export. The Kumasi-Bolgatanga transmission line project is expected to be completed by end of August 2021.

307. Works on the following projects continued as planned:
- The 161KV Volta-Achimota-Mallam Transmission Line Upgrade Project – the entire project is expected to be completed by end of 2021. Progress of Works on the Volta-Achimota section increased to 73 percent;
- The 330kV A4BSP (Pokuase Bulk Supply Point) has been successfully commissioned and is currently in service; and
- The Kasoa Bulk Supply Point is steadily progressing with construction works currently at 79 percent completion.

308. Additionally, to improve power quality in Kumasi and its environs, GRIDCo will commence the installation of a 50MVAr STATCOM device at the existing 161kV Kumasi Substation.

309. Mr. Speaker, to ensure that power is affordable for industrial, commercial and residential use, the renegotiation and restructuring of Power Purchase

Agreements and Gas Sales Agreements (PPAs and GSAs) in the energy sector is progressing steadily. Discussions on the refinancing and restructuring of the Cenpower Generation Limited project are expected to reach financial close by middle of August 2021. CENIT Energy Limited has agreed to convert its power plant to a tolling structure as well as reduce its tariffs, resulting in significant savings to Government.

310. All other PPA negotiations are proceeding with additional savings for Government expected by end of the year, once all relevant transaction documents have been agreed and executed. These negotiations further underscore Government's firm resolve to execute a structured, transparent and objective sector restructuring process, all with a view to ensuring a sustainable, fair and balanced energy sector for all stakeholders.

311. Mr. Speaker, the development of Pwalugu Multipurpose Dam and Irrigation Project is underway. This project aims to improve stability of power supply in the northern part of the country. As at mid-year, the draft Environmental and Social Impact Assessment (ESIA) draft report received from the Consultants has been reviewed and submitted to the Environmental Protection Agency for further action.

312. The Ministry of Energy has identified a site at Anwomaso in Kumasi, close to a GRIDCo substation, for relocation of the Ameri Power Plant as part of efforts to improve supply reliability and reduce losses in the middle and northern parts of the national grid. The Geotechnical studies for the site have been carried out to obtain information on the physical properties of the proposed site.

313. Mr. Speaker, ECG is currently implementing the Boundary Metering Project which aims to measure and determine areas with high system losses and intensify interventions to minimize them. Installation works to separate the Volta Region and Sekondi District were completed. The project will be extended to cover all 88 districts of the ECG.

314. Mr. Speaker, under the Rural Electrification Programme, a total of 127 out of 576 communities were connected to the national grid. This brings the national electricity access rate to 85.3 percent as at July from 85.2 percent in January.

315. Mr. Speaker, the energy sector was adversely affected by the COVID-19 pandemic. A combination of travel restrictions and government-imposed lockdowns led to an overall reduction in demand for fossil-based fuels and other associated hydrocarbon products. Given the prevailing sentiments around hydrocarbon exploration, the shift from fossil-based fuels to renewables, coupled with the lack of interest by oil majors and the banks to finance exploration and development activities, suggests there is a strong possibility that Ghana may be "left behind", unless we develop a home-grown strategy to address this.

316. As such GNPC is looking at opportunities for its subsidiary, GNPC Explorco to acquire such assets and become an operator in its own right to ensure that hydrocarbon resources in the country can be developed. The new strategy may require an amendment or revision of the Petroleum Revenue Management Act (PRMA) to allow GNPC enter into some reserve-based lending (rbl) transactions in order to raise the required financing to consummate these acquisitions and finance the exploration and development of these fields without having to rely on GoG for funding.

Energy Efficiency and Demand-Side Management

317. Mr. Speaker, the Ministry of Energy continues to embark on the nationwide energy conservation and demand side management exercise targeted at replacing all existent incandescent and compact fluorescent lights, with particular attention to residences, since residential energy consumption accounts for over half of the national electricity demand.

318. Mr. Speaker, rehabilitation and replacement of streetlights on the Accra-Tema Motorway was completed with 700 street lights fixtures installed. Installation works have also commenced for the construction of street lighting infrastructure in the newly created regional capitals. This intervention is being implemented to provide security and increase road safety and promote socio-economic development.

Renewable and Alternative Energy Development

319. Mr. Speaker, the Bui Power Authority completed and successfully connected a 50 MW of solar power plant to the national grid. The Volta River Authority's 13MW Kaleo Solar Project has also been successfully test commissioned. This brings the total installed PV capacity of the Lawra (6.5 MW) and Kaleo plants (13MW) to 19.5MW.

320. Mr. Speaker, the first phase of the 912kWp Jubilee Solar PV project was completed and the scope of a second phase is being negotiated with the contractor. The engineering designs and drawings for the construction of three mini-grids at Azizkpe, Aflive and Alorkpem in the Ada East District of the Greater Accra Region are far advanced.

321. Mr. Speaker, a total of 103,462 units of improved cook stoves were distributed as at mid-year. This mitigation programme is to address the exposure of women and children to carbon monoxide emissions from charcoal for cooking as well as reduce deforestation as part of efforts to mitigate against climate change.

Petroleum Sector Development

322. Mr. Speaker, discussions with prospective investors are ongoing to promote Ghana as an attractive destination for investment, technology, and a hub for refined petroleum products in West African sub-region through the implementation of the Petroleum Hub project. The Ghana Negotiation Team (GNT) has resumed negotiations with four companies to discuss issues pertaining to the negotiations of petroleum agreements.

323. Mr. Speaker, ENI Group has recently made a significant oil discovery in Block 4 offshore Ghana, with an estimated deliverability potential of 5,000 barrels of oil per day, similar to the well already in production from the Sankofa Field.

324. Further studies carried out by Tullow have revealed that the Greater Jubilee field and Tweneboa-Enyenra-Ntomme (TEN) fields have additional gas reserves of 1.7 trillion cubic feet (TCF) and 2.7 billion barrels of oil (BBL).

3.3 Revenue Optimisation Measures

325. Mr. Speaker, Government over the past years has been working to transform Ghana's revenue mobilisation architecture to support the national vision of a Ghana Beyond Aid. This involved reviewing revenue policy, tax administration and legislation to lay the requisite foundation to accelerate revenue mobilisation.

326. Mr. Speaker, Government in the process removed taxes that were immediately inimical to production to create space for expansion and consequently absorption of the unemployed youth. This resulted in incentives for industry such as those for the 1D1F and the auto manufacturing industry. VAT relief on African prints was provided for textile manufacturers to enable them expand their operations and produce affordable textiles for the market. The excise duty on petroleum products was abolished and levies on power supply reduced to further support industry and individuals.

327. Revenue administration was also revamped with expanded use of technology to improve the taxpayer experience and revenue collection.

328. Mr. Speaker, Government successfully implemented a paperless port system in 2018 with the full interfacing of the GCMS II and PAARS systems. The systems interfaced with other MDAs to ensure electronic submission of documentation and approvals required for clearing of goods and for export. Importers were able to obtain import licenses, permits and certificates before arrival of goods which significantly improved the ease of doing business.

329. The Integrated Customs Management System (ICUMS), launched in 2020 to replace the existing systems further facilitated the coordination of all activities in respect of cross border trade on one platform to reduce time and cost in clearing imported goods and exporting goods from Ghana. The system which allows importers to do pre-manifest declaration drastically reduced turnaround time for cargo clearing at the ports from several days to approximately six hours. Since the introduction of ICUMS, monthly revenue has consistently exceeded GH¢1.0 billion which was not the case before. Consolidated revenue increased by 27.7 percent from June 2020 to May 2021.

330. Mr. Speaker, the Authority has successfully concluded implementation of Phase I and is moving into Phases II and III which will see the deployment of the full capability of ICUMS (e.g. e-Auction). In addition, the rollout to all borders has commenced and Phase II modules will be deployed by the end of Q3, 2021.

331. Mr. Speaker, the Integrated Tax Application and Preparation System (iTaPS), online filing platform, which is christened 'Tax Made Digital' was launched to enable taxpayers file their taxes online. The system improves transparency as it automatically computes the tax liability of taxpayers as they file online.

332. Mr. Speaker, the Ghana.Gov centralised payment platform was developed to improve efficiency of collection and monitoring of Government revenue by the Ghana Revenue Authority, MDAs and MMDAs. This has enabled the GRA implement the cashless policy effective July 1, 2021, where the outfield offices no longer receive cash from taxpayers. The Ghana.gov is currently being used by the Ghana Revenue Authority, 15 MDAs and 23 MMDAs. All the other MDAs and MMDAs are expected to be on board by December 2021.

333. Mr. Speaker, the Ghana CARES "Obaatan Pa" Programme will require additional public financing of GH¢30 billion over the next three years. This will require achieving a Tax-to-GDP ratio of 20 percent by the end of that period. Government has further observed that the non-compliance of some persons is negatively affecting the attitude of those who diligently pay their due. In the spirit of fairness and to further generate revenue for national development, there is the need to look at other innovative ways to create the needed fiscal space for the operationalisation of Government's planned programmes and activities.

334. In light of the above, the Revenue Assurance, Compliance and Enforcement (RACE) function has been established within the Ministry of Finance to support the move towards improved taxpayer compliance and adherence to set procedures and processes. RACE shall play an oversight role and serve as the last line of defence in the protection of the public purse.

335. The Ghana Revenue Authority will fully activate the Prosecution Unit to bring in line recalcitrant taxpayers and other persons who will infringe the revenue laws in order to drive compliance and reduce tax evasion and tax fraud.

336. Mr. Speaker, the establishment of the tax courts this year will ensure the speedy trial of tax cases and the necessary punitive measures handed out where necessary. The operationalisation of the Independent Tax Appeals Board on the other hand will afford taxpayers the opportunity for redress where taxpayers are not satisfied with the actions of the revenue authority. Government objective is not to hound taxpayers, but rather to ensure that, we all pay our fair share of taxes.

337. Mr. Speaker, as part of Government's digitalisation agenda, technology will be applied at all levels to monitor and identify revenue sources (both tax and non-tax); safeguard revenue collections by eliminating the collection of physical cash and tracking non-compliant tax payers. It will also enable tax officials widen the tax net by bringing in potential taxpayers in the informal sector, improve risk management mechanisms, and influence the design of tax policies.

338. Mr. Speaker, in the 2021 Budget Statement and Economic Policy, Government proposed new tax measures to provide some relief to sections of the population hardest hit by the COVID-19 pandemic, raise additional revenue and improve tax compliance. In this regard, the following enactments were passed and implemented as COVID-19 alleviation support:
- The Penalty and Interest Waiver Act, 2021 (Act 1065) for the extension of the waiver of penalty and interest on accumulated tax arrears up to December 2020, to reduce cash flow challenges for companies and individuals who arrange payment terms with GRA to pay up the principal; and
- The Income Tax (Amendment) Act, 2021 (Act 1066) provides in the second, third and fourth quarters of 2021:
    - a rebate of 30 percent on the income tax due for companies in the hotel and restaurant; education; arts and entertainment; and travel and tours sectors;
    - suspension of quarterly income tax instalment payments for small businesses using the income tax stamp system; and
    - suspension of quarterly income tax instalment payments for vehicle income tax for trotros and taxis.

339. Mr. Speaker, the following revenue enactments were also passed to raise the requisite resources to sustain the implementation of COVID-19 measures, pay excess capacity that has resulted from power purchase agreements signed prior to 2017, ensure sustainable sanitation management and help defray outstanding commitments in the financial sector due to the clean-up:
- The COVID-19 Health Recovery Levy Act, 2021 (Act 1068) which introduced a COVID-19 Health Recovery Levy of one percent on the supply of goods and services;
- The Energy Sector Levy (Amendment) Act, 2021 (Act 1064) which provides for a Sanitation and Pollution Levy (SPL) of 10 pesewas on the price per litre of petrol and diesel, and an Energy Sector Recovery Levy of 20 pesewas on the price per litre of petrol, diesel and gas; and
- The Financial Sector Recovery Levy Act, 2021 (Act 1067) which imposes a levy of 5 percent on profit-before-tax of banks to help defray outstanding commitments as a result of the financial sector clean-up.

340. Mr. Speaker, to support the implementation of the relevant enactments on taxation of the digital economy (including online gambling) and the voluntary compliance programme, the Ghana Revenue Authority prepared practice notes, administrative manuals, and developed an e-commerce platform to register individuals and businesses in the e-commerce sector. The platform will be launched in the third quarter of 2021.

341. Mr. Speaker, the National Identification Number was adopted as the Taxpayer Identification Number (TIN) for individuals, effective April, 2021. This important initiative was targeted at achieving a key Government objective of widening the tax net and involves the usage of the National Identification Number in place

of the existing eleven-digit TIN. The old numbers will be phased out by the end of December 2021.

342. The integration of the GRA, NIA and Registrar-General's Department (RGD) systems to support the initiative was successfully completed on April 1, 2021. This has increased the registered individual taxpayer population from 4 million to over 12 million. An exercise to validate and register those liable to pay the various tax types is underway.

3.4 National Population and Housing Census - 2020

343. Mr. Speaker, Population Censuses have been conducted in Ghana at approximately ten-year intervals since 1891. Five Population Censuses have been conducted in the country since independence with the 2010 Population Census being the most recent. These censuses are designed to generate statistics that are essential for policy and planning purposes and therefore of the greatest importance to every person living in Ghana. The last Census conducted in 2010 recorded a total population of 24.7 million persons. The National Population and Housing Census was originally scheduled for 2020 but due to the COVID-19 pandemic the exercise was postponed to 2021.

344. Mr. Speaker, in order to achieve the objective of complete coverage, which aligns perfectly with the "leave no one behind" agenda of the Sustainable Development Goals, the country was demarcated into small areas to facilitate the identification of all structures and other places where people sleep at night. The demarcation exercise was completed leading to the development of the Census Geography of Ghana with 131,739 localities, 51,913 enumeration areas, 11,020 supervisory areas in the 261 districts and 16 regions.

345. The Service successfully conducted a Phase II Trial Census in four districts namely: Aowin in the Western North Region, Kpone Katamanso in the Greater Accra Region, Ekumfi in the Central Region and Krachi Nchumuru in the Oti Region and a Phase III Trial Census in Fanteakwa district. The trial censuses allowed for the testing of the instruments to be used in conducting the main census as well as other processes necessary for a successful census.

346. In order to create awareness about the census for active participation by the populace, the following activities were carried out: production of quarterly newsletter series and development of a census brochure; seminar to showcase the innovations and the expected outputs of the 2021 PHC; sensitization of media across all three ecological zones using census media kit; engagement of children on population and housing census activities; and establishment of development partners forum.

347. His Excellency, the President launched the 30 days to the Census Night on 28th May, 2021, after His Excellency, the Vice President had launched the 100 days to the Census Night, on 19th March, 2021. The Census Night was successfully celebrated across all districts of the country on the designated date of 27th June 2021. This date is the reference point to which all enumeration must relate and

only persons alive in Ghana at midnight of this day must be enumerated. The Census Night was publicized in advance throughout the country so that it could be easily remembered by everyone.

348. Mr. Speaker, a total of 76,500 enumerators and supervisors were trained in all the 272 statistical districts across the country. To ensure a complete coverage of all persons and structures, the listing of structures commenced on the 13th June and completed on 27th June, 2021. The listing operation involved visiting every structure in the enumeration areas and assigning a 4-digit serial number to the structure.

349. Enumeration of persons who spent the census night in various households and Institutional Population commenced on the morning after the Census Night (28th June, 2021) and officially ended on 12th July, 2021.

350. A number of post census activities will be carried out from July to December 2021. These include a mop-up exercise on enumeration of persons who spent the census night in various households. A mop-up exercise is necessary to enable the GSS cover any remaining households not covered in the main exercise.

351. Mr. Speaker, a post enumeration survey to assess quality of responses obtained from respondents during the data collection exercise, and evaluation of the extent of coverage of the main census is planned for the month of August 2021.

352. Data analysis and release of provisional results is planned for August 2021. Publication of policy briefs will commence in September 2021, while summary reports are expected to be released in October 2021.

Collaboration with Faith-Based Organisations

- Mr. Speaker, our partnership with the FBOs has directly and indirectly benefited over 46,000 and 100,000 trainees respectively, in Fashion, Catering, Cosmetology, Electronics, soft business and managerial skills. Efforts are being made to roll out the next phase by end of the third quarter. We continue to count on our FBO partners to sensitize and ensure adherence to the life-saving mask-wearing, social distancing and enhanced hygiene protocols within our communities.

3.5 State of the National Cathedral Project

353. Mr. Speaker, work on the National Cathedral is progressing speedily, and following the program of the contractors, -- and with God helping us, -- the National Cathedral is expected to be officially commissioned on March 6, 2024.

354. Upon completion, the National Cathedral would provide a sacred space for formal religious activities of State and symbolise the enormous contribution of faith to Nation Building.

355. Mr. Speaker, the State-Church partnership envisaged by the President to develop the National Cathedral is also progressing steadily. An initiative, the **100-cedis-a-month club,** also dubbed "ketewa biara nsua", would be launched by the Trustees of the National Cathedral on August 12, 2021 to give as many Ghanaians as possible the opportunity to be part of the history to build the National Cathedral. The aim of the club is to raise 1 million Ghanaians who will give **100 cedis a month** for the construction of the National Cathedral. A special short code — ***979#** — has been developed for this purpose. We look forward to Mr. Speaker and all the members and staff of this august House joining the **100-cedis-a-month club**, and thus adding their names to the historic coalition that would build the National Cathedral to the glory of God, and the edification of our nation and its people.

Message to the Youth

- Mr. Speaker with your permission, may I convey a special message from H.E the President to the young people of our beloved country.

- The last couple of years have not been easy for our young people. Your education has been disrupted; for many of you, your business plans are on hold because of lack of funding or opportunities. You may have lost your job or are simply tired of joining long queues or filling job application forms for vacancies that are filled even before your ink is dry. But we have a message for you: big opportunities are coming, and the President wants you to be part of that. The President is determined to see as many of you having the opportunity to help shape our future. We value your input, and even as we roll out programmes to support you, we will continue to engage.

- Now, more than ever, we need to create a large pool of employment opportunities for the growing number of young Ghanaians, who now have increased access to education. At the heart of the policies outlined in today's statement is the rolling out of various programmes to build an economy that allows you to unleash the wealth and breadth of your energies. Your President believes in the power of constructive collective action. Together we can ensure that yesterday's problems are tackled today so that we do not carry them on to the next generation. As the Great American, Franklin D Roosevelt, once said, "the only limit to our realization of tomorrow will be our doubts of today". We must confront the spirit of doubt and face our fears in faith.

- Mr. Speaker, today, we have announced key job creation and entrepreneurship interventions such as the YouBanC® product, and a host of other Government interventions that target young people. These should enable us to connect applicants to appropriate job opportunities or provide assistance to allow applicants to confidently start their own businesses and take full advantage of the supportive ecosystem we have put in place. So to the young people of Ghana, let me stress to you that our policies are not simply about the next election, even as we persevere to break the proverbial eight. But, more importantly, it is about empowering this generation for them also to prepare a brighter Ghana for the next generation. Our responsibility as your government is not just about responding to the judgment of our critics today, but to the judgment of posterity.

CHAPTER FOUR: UPDATE ON COVID-19 IMPACT AND MITIGATING MEASURES

356. Mr. Speaker, as widely acknowledged, the shock and disruptions caused by the COVID-19 pandemic have had significant impact on households and businesses around the world, with most experiencing the worst socioeconomic challenges from December 2019.

357. The measures deployed by Governments and the private sector to contain the spread of COVID-19 - lockdowns, quarantines, social distancing, travel bans and restrictions, and shutdown of non-essential services, among others - caused severe dislocations in nation states, forcing many firms to cut costs by reducing staff hours, cutting wages, and in some cases laying off workers. It also had a major impact on access to nutritious food by households, largely due to loss of incomes and rising food prices.

358. Mr. Speaker, however, these challenges have been mitigated to some varied degree due to deliberate interventions by Governments, with the support of multilateral institutions, to alleviate personal hardships and disruptions to economic livelihoods across the globe. For instance, the Government of Ghana launched the Coronavirus Alleviation Programme Business Support Scheme (CAPBuSS) and introduced the Emergency Preparedness and Response Plan (EPRP) I&II together with other measures in the Mid-Year Review of the 2020 Budget to address the challenges.

4.1 Impact on the Global and Regional Economy

359. Mr. Speaker, the COVID-19 global recession is the deepest on record in the post-war era, and the impact of the pandemic on global GDP growth has been enormous. According to the IMF, the global economy contracted by 3.3 percent in 2020, a 6.7 percentage point decline relative to the 3.4 percent growth it projected back in October 2019.

360. The impact of the shock is likely to be long-lasting too. While the global economy is expected to recover this year largely due to advances in vaccines and initial response measures, the level of GDP at the end of 2021 in both Advanced and Emerging Market and Developing Economies (EMDE) is projected to remain below the pre-COVID-19 levels. The IMF projects that even in 2024, World GDP will be 3 percent below the no-COVID-19 scenario.

361. Mr. Speaker, the pandemic triggered a health and fiscal response unprecedented in terms of speed and magnitude. At a global scale, fiscal support reached nearly US$16 trillion (about 15 percent of global GDP) in 2020 according to the IMF, although the capacity of countries to implement such measures varied significantly.

362. Mr. Speaker, the impact of the pandemic on remittances and Foreign Direct Investment (FDI) has been mixed. The World Bank indicates that remittances

to SSA as a whole fell by 12.5 percent to US$42.billion in 2020. Despite this regional trend, remittances increased in Zambia (37 percent), Mozambique (16 percent), and Kenya (9 percent). The fall in remittances inflow to Africa affected foreign exchange flows to the countries concerned, leading to increase in food insecurity as well as poverty.

363. Mr. Speaker, the United Nations Conference on Trade and Development (UNCTAD) has reported that global FDI flows fell by up to 42 percent in 2020, from their 2019 value of US$1.54 trillion to US$859 billion. In 2019 FDI flows to Africa declined by 10 percent from US$51 billion, and further declined by 18 percent in 2020 to US$38 billion.

364. Mr. Speaker, the World Tourism Organization reports that in 2020 there were over one billion fewer international arrivals - a drop of 74 percent. The sudden collapse in international travel represents an estimated loss of US$1.3 trillion in revenues, placing between 100 million and 120 million direct tourism jobs at risk. Similarly, Africa recorded a 75 percent decline in tourist arrivals, falling from 70 million in 2019 to just about 18 million in 2020. This resulted in revenue losses of US$2.84 billion and US$10.42 billion to African airports and airline carriers, respectively, in 2020.

4.2 Socio-Economic Impact on Ghana

365. Mr. Speaker, Ghana's open economy made our country more vulnerable to these developments across the globe and within the region, with substantial implications for lives and livelihoods. However, the timely and responsive measures taken by Government help to moderate the impact of the pandemic on socio-economic lives and this has underpinned economic recovery efforts in Ghana.

4.2.1 Health and Human Impact

366. Mr. Speaker, the human cost of the COVID-19 has been significant. Quite apart from the human suffering of the confirmed cases, loss of human capital continues to be devastating. The reported steady decline in weekly average infections, which stood at 379 by the week of 5th March, 2021, was sustained and reached 60 cases by the week of 20th June, 2021. Since then, however, the detection and spread of the ***delta variant*** of the virus has largely driven up reported cases. As of 25th July, 2021, overall COVID-19 infections since the first confirmed case on 12th March, 2020 has reached 103,019. There are currently 4,983 active cases, 97,213 recoveries and against all efforts, 823 persons have unfortunately succumbed to COVID-19 and COVID-related conditions.

4.2.2 Economic impact of the pandemic

367. Mr. Speaker, the prolonged COVID-19 pandemic has had severe economic impact in Ghana. It has exacerbated poverty, income disparities, and amplified pre-existing individual and household concerns. Tentative signs of this impact of the pandemic started to emerge at the end of the first quarter of 2020. Based on these indicative outcomes, Government, through the 2020 Mid-Year Budget

Review, intervened with timely and deliberate policy measures to help households and businesses withstand the anticipated impact. By the end of 2020 and early in 2021, several indicators demonstrated the efficacy of these interventions on social cohesion and the prospects of economic recovery.

368. Mr. Speaker, available data from the Ghana Statistical Service (GSS) indicate that 36 percent of firms were closed during the partial lockdown in April 2020. This had reduced to 8 percent by end-October 2020, when movement restrictions were gradually relaxed. Firms in the transport, hospitality, food and beverage sub-sectors were the most affected, together with private sector educational institutions.

369. Mr. Speaker, in the first three months of the crisis, 77 percent of our population reported a decline in incomes, according to the World Bank. With drastic reduction in demand, by June 2020, an estimated 770,124 workers were affected when their employers reduced their wages, according to the GSS. However, this number had significantly reduced to about 10 percent of the workforce, an estimated 297,088 workers, by end-September 2020, due largely to easing of restrictions and the fiscal and financial support to industries.

370. Mr. Speaker, reported declining sales of small businesses in local communities begun to recover with the pursuit of interventions. Sales from small businesses were estimated to have declined by GH¢115.2 million in June 2020. However, by September 2020, the estimated decreases in sales had dropped to about GH¢85.5 million, signalling improvement in economic activity. With specific reference to agribusinesses, sales growth was 30.2 percent prior to the pandemic, 10.7 percent during the lockdown, and 15.4 percent after the lifting of most of the restrictions by March 2021, according to the ***GSS Agribusiness Tracker Report*** of June 2021.

371. Mr. Speaker, improving regional and global supply chains and rising demand enabled total exports to reach US$2.5 billion in the first two months of 2021. By June, this had significantly increased to US$7.6 million; reflecting a 2.7 percent increase over the same period in 2020, according to the Bank of Ghana.

372. Mr. Speaker, the second report of the *COVID-19 Business Tracker Survey,* jointly published by the GSS, the UNDP, and the World Bank, indicates that the situation on worker lay-offs and unemployment is stabilising and the economy is on course for recovery. An estimated 41,952 workers (1 percent of the workforce) had reportedly lost their jobs by June 2020. Due to the timely and proactive support of Government to businesses, the number of workers who had been laid-off reduced drastically to almost 11,986 (0.4 percent of the workforce) by end-September 2020.

373. In addition, the COVID-19-related regulatory reliefs and policy measures introduced by the Bank of Ghana continued to promote lending activities by the banks. From the beginning of the year to June 2021, new advances reached GH¢16.0 billion, marginally above the advances of GH¢15.8 billion during the

same period in 2020. It is expected that as economic activities rebound and lending rates drop further, private sector credit will pick up.

374. Mr. Speaker, proactive and pragmatic policies have ensured that the tourism and hospitality industry, which had perhaps endured its most difficult year in 2020, is on a rebound. Tourist arrivals into the country as at the end of 2020 was about 370,000, as against the initial projected 1.35 million visitors and a revised target of 400,000 for 2020. With the re-opening of the Kotoka International Airport in September 2020, international tourist arrivals have been on the rise. As at the end of the second quarter of 2021, cumulative arrivals had reached 231,000 representing 65 percent of the full year arrivals in 2020.

375. Mr. Speaker, hotel occupancy in the up-scale market category has inched up slightly to 38 percent, although this is still a significant drop from the pre-pandemic average of 56 percent.

376. Mr. Speaker, despite the impact of COVID-19 on the global, regional and national economy, remittances and FDI flows to Ghana withstood this extraordinary shock. According to the World Bank, remittances received in Ghana increased by 5 percent to US$3.60 billion in 2020 compared with the 2019 receipts of US$3.42 billion.

377. Similarly, inflows of Foreign Direct Investments (FDI) to Ghana recorded an impressive US$2.65 billion worth of investments in some 279 projects in 2020. This was on the back of strong Government policy responses to the pandemic to support businesses. The FDI value of US$2.65 billion illustrates a significant increase of 139.1 percent over the FDI value of US$1.11 billion recorded in 2019. Of the total investment, the manufacturing sector recorded the largest FDI value of US$1.27 billion. This was followed by the services and mining sectors with FDI values of US$0.66 billion, and US$0.42 billion respectively, according to the Ghana Investment Promotion Centre.

378. Mr. Speaker, this encouraging trend has continued into the first half of this year. In the first quarter of 2021, Ghana recorded as much as US$874.02 million for 122 projects, a significant increase of 32.2 percent over the FDI values of US$627.52 million recorded in the first half of 2020. These investments have the prospects of generating a minimum of 8,931 jobs of which 90.6 percent are expected to be taken up by Ghanaians.

379. Mr. Speaker, there are also other positive trends from this pandemic, as digital technology is beginning to play a significant role in the operations of businesses. Almost 9 out of 10 firms are now leveraging digital platforms, including social media, to market their products. Similarly, mobile money and door-to-door delivery via courier services, and internet usage for business operations also increased, with about 77 percent increasing the use of the internet in marketing, compared to 19 percent during the lockdown period, according to the GSS.

380. Mr. Speaker, the emerging trend of economic recovery observed at end-2020 became more entrenched by end of March 2021. The interventions introduced to support businesses was more visible through the pace and level of activities in the economy. The Bank of Ghana's Composite Index of Economic Activity (CIEA) showed a 33.1 percent year-on-year growth, indicating that economic activity is rebounding at a faster pace by end of first half 2021, as compared to the contraction of 10.2 percent recorded for the same period in 2020.

4.3 Updates on Government's Mitigating Measures to the Pandemic

4.3.1 Health-related Measures

381. Mr. Speaker, since the onset of the COVID-19 pandemic, Government has developed and implemented well-thought-out interventions expressed in the:
- National COVID-19 Emergency Preparedness and Response Plan (EPRP I & II); and
- National Strategic COVID-19 Response Plan: July 2020 - December 2024.

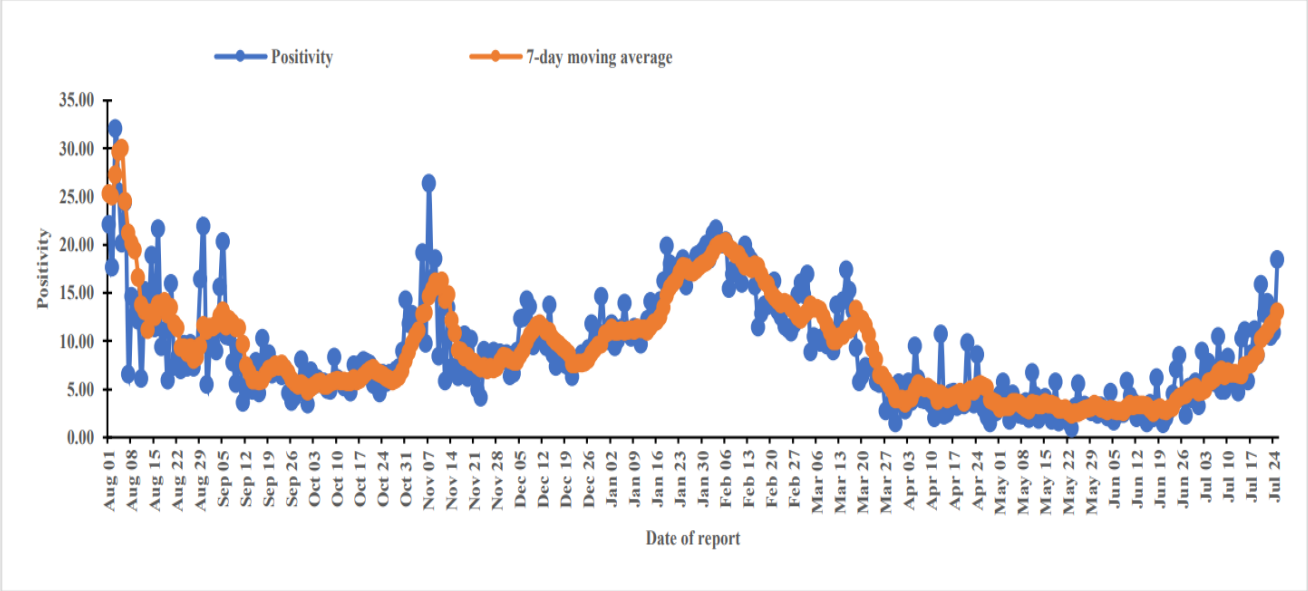
382. The National Strategic Response Plan sought to:
- Limit and stop the importation, detect, and contain the Virus;
- Slow down and manage community spread;
- Provide adequate medical care for COVID-19 cases;
- Strengthen Governance, Coordination and Accountability of COVID-19 Response;
- Minimise Impact of COVID-19 on Social and Economic Life; and
- Increase Domestic Capacity and Self-Reliance.

383. Mr. Speaker, these critical objectives, which mainly relied on early testing, aggressive tracing, and early professional treatment, proved vital to the success of the national containment and case management measures. In addition, the adoption of these plans and related interventions provided a comprehensive framework to mobilise and disburse domestic and external funding from partners.

384. Since Ghana recorded its first two cases on 12th March, 2020, the Ghana Health Service has conducted 1,416,952 tests as of 25th July, 2021, with a cumulative positivity rate of 7.3 percent.

385. The Surveillance Outbreak Management Analysis and Response (SORMAS) has been the main e-surveillance tool for the country, and its nationwide implementation has helped to provide real time data across all the operational and strategic levels to inform response actions and policy decisions. The multi-sectoral enhanced contact tracing strategy helped in containing the spread of the virus earlier in the response.

Figure 2: COVID-19 Positivity rate in Ghana
(by date of report taken, Aug. 1, 2020 –Jul. 25, 2021)



Source: MoH

386. Mr. Speaker, expanding the scope of COVID-19 testing laboratories from two (2) at the inception of COVID-19 in Ghana in March 2020, to 43 COVID-19 PCR testing laboratories across the country (including private laboratories) as at July 2021 has enhanced the testing capacity of Ghana. The laboratories are scattered across the country, although majority of them are in Greater Accra Region. Government has also upgraded and accredited 23 GeneXpert laboratories for COVID-19 testing.

387. Guidelines for both PCR and Antigen testing have been developed and are in use. Genomic sequencing has also started. Currently, there are four mobile Biosafety Level 3 Laboratories to be positioned in Ashanti, Greater Accra, Central, and Volta regions. For quality assurance purposes, 23 public and private COVID-19 PCR testing laboratories have been enrolled in the second batch—WHO and African Society for Laboratory Medicine (ASLM) External Quality Assessment Survey (EQAs) and about 13,000 PCR tests are currently done weekly.

388. Mr. Speaker, there are 73 treatment centres, and each region has at least one treatment facility with 11 of them in Greater Accra region. All Teaching Hospitals are designated treatment centres. Emergency services and ambulances are readily available for referral and transport of positive cases. Most treatment centres generally are reasonably stocked with PPEs and logistics for patient care. Oxygen delivery has been a vital part of case management of COVID-19 cases and efforts are being made to address the challenges of continuous availability. The WHO has supported Case Management with about 55 Oxygen Concentrators that were distributed to all regions. USAID has supported Ghana with 28 Portable Oxygen Concentrators. The Ministry is developing policy to make it mandatory for all health facilities with bed

capacities above 20 to include piping systems for delivery of oxygen and on-site oxygen production systems.

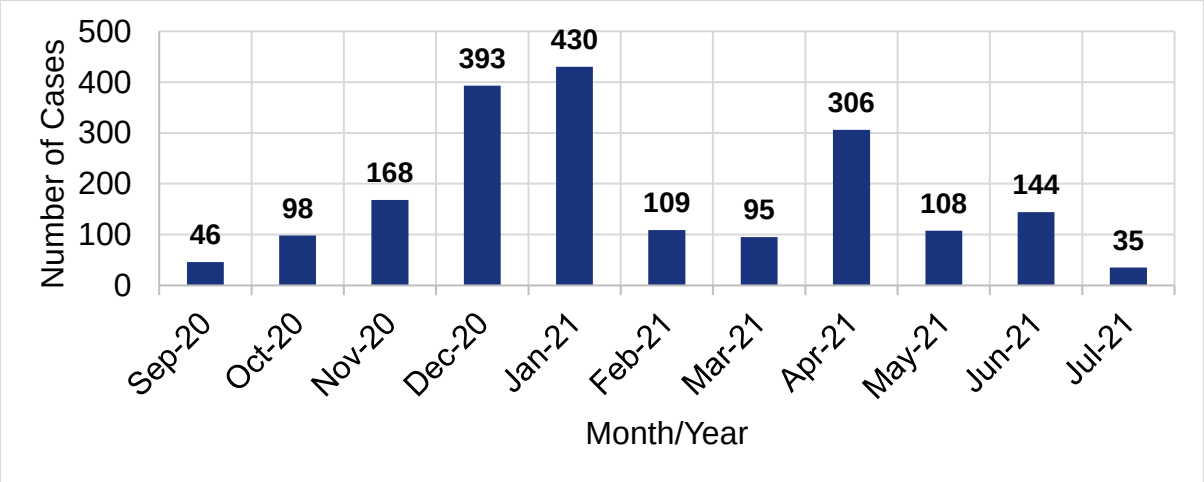
389. Mr. Speaker, Ghana has confirmed cases of the Delta variant, and over the past two weeks, there has been increasing case load for severe, critical and even deaths. The Ministry has stockpiled PPEs and medicines to support COVID-19 treatment at all major treatment centres that can last for at least 30 days.

390. Additionally, 49 ventilators and 33 patient monitors have been distributed to treatment facilities in all 16 regional hospitals, Teaching Hospitals and some other major centres in Greater Accra to help set up High Dependency Units (HDUs) for COVID-19 patients. Also, 300 health personnel are to be trained at regional levels to manage ICU/HDU to reduce complications and deaths.

391. The Kotoka International Airport (KIA), which was closed to international travel in March 2020, was re-opened on 1st September 2020. Travelers arriving at KIA are tested upon arrival and, if positive, they are sent to designated isolation and treatment facilities. As at 25th July, 2021, a total of 386,810 Antigen tests have been conducted at KIA, with 2,219 passengers testing positive.

392. Recent digitisation of COVID-19 test results, using the AU patented travel and PanaBIOS platforms, allows for false results to be picked up and subsequent actions taken.

Figure 3: COVID-19 Cases at KIA by Month



Source: MoH

393. Mr. Speaker, Government implemented the COVID-19 vaccination campaign as part of the containment strategy and has developed the National Deployment and Vaccination Plan (NDVP). It is planned that 20 million Ghanaians will be vaccinated in order to achieve herd immunity. On 24th February, 2021, Ghana received her first COVID-19 consignment of 600,000 doses of AstraZeneca (AZ) vaccines from the COVAX facility. The deployment strategy is based on geographic and demographic segmentation. So far 865,422 people have had their first dose whiles 405,971 out of this number have had their second dose.

394. Mr. Speaker, in view of the prevailing global supply constraints of vaccines, the Government is exploring all options to secure adequate doses of vaccines to help achieve herd immunity in the country to protect and preserve lives and to sustain economic activities.

395. Government is expecting, through the COVAX facility, one million Pfizer vaccines from USA, 229,670 Pfizer vaccines from the AU, and 249,000 AstraZeneca vaccines from the United Kingdom. Government is also in the process of procuring 17 million doses of Johnson & Johnson vaccines through the African Medicine Supply Platform in the third quarter of this year.

396. Mr. Speaker, we have upgraded our national, regional, and district cold chain facilities to widen our access to vaccines like Pfizer and Moderna that require -70^0C cold chains. These include 16 ultra-low cold freezers, 58 units of ultra-low freezers, 50 normal vaccine refrigerators, 300 boxes to be filled with ice packs, 300 ice packed freezers, 10 cold chain vans and 120 temperature monitoring devices.

397. Mr. Speaker, Government is committed to providing seed funding of US$25 million towards the development of the country's capacity to produce vaccines locally. This will be achieved through the establishment of a National Vaccine Institute which would be charged with delivering the following mandates:
- Establishing local vaccine manufacturing plants;
- Deepening research and development for vaccines in Ghana;
- Upgrading and strengthening the FDA;
- Forging bilateral and multilateral partnerships for vaccine manufacturing in various areas such as funding, clinical trials, technology transfer, licensing, and assignment of intellectual property rights;
- Building the human resource base for vaccine discovery, development, and manufacture; and
- Establishing a permanent national secretariat to coordinate vaccine development and manufacture.

398. Mr. Speaker, at the forefront of risk communication has been the periodic state of the nation address by His Excellency the President, as well as the weekly press briefs held at the Ministry of Information. Various adverts, both in audio-visual and print (fliers and banners) have been widely circulated to inform the public on infection prevention and control. Important personalities and influencers in society have been helpful in educating the general population on safety protocols and the need to observe them. The media has been supportive in addressing misinformation and disinformation, especially giving voice to the technocrats to explain issues.

4.3.2 Update on Agenda 111

399. Mr. Speaker, Government is progressing with its ambitious plan to tackle Ghana's health infrastructural deficit and restore the country on the path of achieving economic and social transformation. Under the Plan, now dubbed Agenda 111, Government seeks to construct:

- 101 standard district hospitals with accommodation for doctors and nurses approved by the Ministry of Health;
- 6 regional hospitals in the new regions;
- 1 regional hospital for the Western Region;
- Rehabilitation of Effia-Nkwanta Hospital in the Western region;
- Construction of 2 new psychiatric hospitals; and
- Construction of a new Psychiatric hospital in Accra.

400. The objective is to use local teams comprising of Ghanaian consultants, project managers and construction firms. Over 20 local consulting firms have been engaged through a Lead Project Consultant to provide Architectural/Engineering Designs and Project Management support towards the execution of this all important project. Agenda 111 is being implemented in two phases;

- Phase 1: Pre-Contract Works; and
- Phase 2: Construction and Execution Stage.

401. Phase 1 involves the engagement of relevant consultants, survey and inspection of the proposed sites, feasibility studies, geotechnical studies, preparation of detailed drawings, Bill of quantities (BOQ's), contract documents, processing of the necessary permits and others. The Project Coordinating Team and the consultants have completed pre-contract works for 88 sites for the district hospitals, and construction will commence in August 2021. These projects are expected to be executed on time and without hitches due to the amount of preparation done. Construction of the rest will commence before end 2021 when all pre-contract works are completed.

4.3.3 Economic Measures

402. Mr. Speaker, the potential scale and magnitude of the impact of this pandemic on households and businesses required that significant and targeted support be offered by Government. To this end, Government developed and implemented the Coronavirus Alleviation Programme (CAP) to help stem the adverse and immediate impact on households and enterprises.

Coronavirus Alleviation Programme Business Support Scheme

403. Mr. Speaker, at the height of the COVID-19 pandemic, Government, noting the economic importance of the Micro Small and Medium Enterprises (MSMEs) with regard to life and livelihoods, and rolled out the GH¢600 million Coronavirus Alleviation Programme Business Support Scheme (CAPBuSS) as a financing Scheme for MSMEs. Government undertook the initiative - in collaboration with Ghana Employers Association (GEA), Business and Trade Associations and selected Commercial and Rural Banks. Launched on May 16, 2020, the initiative which has a one-year moratorium and two-year repayment period for MSMEs, was intended to:

- Establish a comprehensive emergency relief fund package for MSMEs;
- Support MSMEs with access to funds and technical assistance to ameliorate the impact of COVID-19; and

- Support formalisation of the Informal Sector.

404. Mr. Speaker, Government through the CAPBuSS did not only provide financial support to entrepreneurs but also the technical know-how in the management of the funds with the aim of enabling MSMEs to survive, sustain jobs and support eventual economic recovery.

405. Mr. Speaker, between May 2020 and June 2021 a total amount of GH¢520,111,918.67 had been disbursed to 299,490 beneficiaries, with 31 percent of them being males and 69 percent females. Technical Support was also provided in the form of training in Entrepreneurship and Financial Management to 15,748 beneficiaries across Ghana, with about 67 percent being females. Over 743,365 jobs have been protected and a database of 914,000 MSMEs has been created to inform policy.

406. An additional GH¢150 million was allocated in the 2020 Mid-Year Budget for specific sectors such as the Creative Arts, Media, and the Private Universities to enable them continue to offer key services in those uncertain times. As at end-June 2021, a total of GH¢52,293,093.00 has been disbursed to 29,698 beneficiaries within the creative arts industry. Additionally, 5,410 private schools, universities, and associations received a total of GH¢41,211,577.

4.3.4 Social Interventions

Electricity Subsidies

407. Mr. Speaker, to sustain the quality of life of Ghanaians during the pandemic, Government subsidised the cost for various categories of household and industrial electricity consumption from April 2020 to March 2021. Altogether, 4,772,512 customers benefitted from the electricity reliefs for the period with the breakdown as shown in Table 10:

Table 10: Beneficiaries of Government Electricity Subsidies – ECG & NEDCo

s/n	Description	Number of Customers		Total
		ECG	NEDCo	
1	Residential (lifeliners – full absorption by Government)	1,051,543	569,364	**1,620,907**
2	Other Residential (50% absorption by Government)	2,243,959	221,420	**2,465,379**
3	Non-Residential (50% absorption by Government)	536,927	147,595	**684,522**
4	Special Load Tariff (50% absorption by Government)	1,608	96	**1,704**
	Total	**3,834,037**	**938,475**	**4,772,512**

Source: MoEn

408. For the Volta River Authority, a total of 22 bulk customers benefitted from the 50 percent relief pack from Government, broken down as follows: Mines (12),

Valco (1), Enclave Power (1), Akosombo Township (1), and Special Load Tariff (7).

409. For the months of April to December 2020, the cost of implementing the policy for all customers amounted to GH¢1,155,959,031.00.

410. Mr. Speaker, for the year 2021, it is noted that the policy continues for lifeline customers of both ECG and NEDCo only. For the months of January to June 2021, the cost of implementing the policy was GH¢116,795,704.00.

Water Subsidies

411. Mr. Speaker, as part of Government's social interventions for supply of free water under the COVID-19 initiatives, the Ministry of Sanitation and Water Resources partnered Ghana Water Company Limited (GWCL) and Community Water and Sanitation Agency (CWSA) to ensure the full realisation of the objective. The programme started in April 2020 and was supposed to have ended in December 2020. However, Government decided to extend it to June 2021 for domestic customers whose monthly consumption does not exceed five (5) meters.

412. In all over 10 million urban dwellers were supplied with potable water by GWCL from April to December 2020. Currently, a total of over 2.30 million urban domestic dwellers benefiting from the programme. The cost of the programme to date is GH¢836.82 million.

413. Mr. Speaker, CWSA on the other hand supplied 17.92 million cubic meters of potable water to rural and peri-urban population of 5.81 million at a total cost of GH¢100.28 million between April 2020 to June 2021.

Re-Opening of Schools

414. Mr. Speaker, H.E the President directed the closure of schools in March 2020 as part of the measures to curb the spread of the pandemic and ensure the safety of students, teachers, and the general public. The Ministry of Education, however, took steps to minimise the impact of the shutdown of schools by transferring teaching and learning to online and remote learning platforms to ensure continuous learning at all levels of education.

415. As part of preparations towards the re-opening of schools in the midst of the fight against the pandemic, the Ministry in collaboration with its relevant stakeholders undertook appropriate measures to ensure the safety of students, teachers, and staff of all our educational institutions. Public and private schools were provided with the WaSH (Water, Sanitation and Hygiene) facilities; Veronica buckets, water, hand washing soaps, hand sanitizers, and rolls of paper towels. Temperature guns and reusable face masks were also supplied. Additionally, all schools (Pre-tertiary and Tertiary) were fumigated and disinfected against COVID-19.

416. These interventions covered 547,045 tertiary students, 1,277,131 secondary school students and 8,204,211 basic school students. Teaching and non-teaching staff of most of the institutions were also covered.

417. The Ministry of Education has so far received an amount of GH¢428,374,803.72 from Government to finance COVID-19 related protocols to enable final year students complete their 2019/2020 exams last year, and for the mass reopening of schools this year.

4.4 COVID-19 National Trust Fund

418. Mr. Speaker, the COVID-19 National Trust Fund was set up under Act 1013 to receive and manage contributions and donations from well-meaning individuals, groups and corporate bodies. These contributions have been helpful in extending support to most vulnerable persons afflicted or impacted by the COVID-19 pandemic, as well as supporting frontline workers leading the effort against the pandemic in Ghana.

419. As at 30th June, 2021 the COVID-19 National Trust Fund had received a total amount of GH¢57.15 million in cash donations. These donations were received between the period April 2020 and March 2021, with about GH¢54.00 million (94 percent) having been received between April and June 2020.

420. Mr. Speaker, since its inception, the Fund has also received various in-kind donations for distribution to relevant institutions and facilities. These include a substantial number of personal protective equipment (PPE) and laboratory supplies which were subsequently donated to the Ghana Health Service and National COVID-19 Care Management Centres.

421. Other noteworthy in-kind donations include:
- 1 Hyundai H-1 ambulance —donated to the Ga East Municipal Hospital for Infectious Diseases on 22nd May, 2020;
- 10 Chevrolet Cobalt saloon cars —donated to Treatment Centres and COVID-19 Public Testing Laboratories spread across the country on 11th May, 2020;
- 1 Nissan Hardbody pickup —donated to University of Health and Allied Sciences (UHAS) COVID-19 Testing Centre in Ho; and
- 2 Mitsubishi L200 pickups — donated to Tamale National Public Health Laboratory and National Commission on Culture (NCC).

422. In addition to the above, fuel coupons, mechanical and solar hand washing basins, and an oil painting depicting the fight against the pandemic were also received. Significant quantities of non-perishable food items (biscuits, pasta, etc.) have also been received. The food items were particularly useful during the period of lockdown in the Greater Accra Region and other locations.

423. As at 30th June, 2021 the Fund had disbursed, for various programmes as well as procurement of items, an amount of GH¢52,501,540.44 representing 92

percent of the cash contributions received. Details of the disbursements are as follows:

Table 11: CNTF Disbursements, April – December 2020

Name of Beneficiary Institution	Item Description	Amount (GH¢)
Ghana COVID-19 Private Sector Fund	Procure and distribute medical equipment and Personal Protective Equipment	10,257,360.00
Ghana COVID-19 Private Sector Fund	Complete the construction of a 100-bed National Infectious Disease Centre at the Ga East Municipal Hospital	6,801,840.00
National Commission for Civic Education (NCCE)	Procure logistics (10 Cross Country pick-up vehicles) and equipment (public address systems and laptops)	2,500,000.00
Isolation Centre at the Pantang Hospital	Purchase of equipment for Isolation Centre	806,600.00
Ghana Health Service (GHS)	Purchase reagents and other laboratory supplies for testing	5,570,882.00
Veterinary Services Directorate of the Ministry of Agriculture	Purchase reagents and other laboratory supplies for testing	1,984,200.00
Nationwide Re-opening of Educational Institutions Coordinating Committee	Support the re-opening of Tertiary Institutions to purchase PPE, veronica buckets and other related items	8,000,000.00
Institute of Statistical, Social and Economic Research (ISSER), UG	Conduct a national survey on the impact of the coronavirus pandemic on households in Ghana	297,920.00
Judicial Service	Resource the courts and offices with PPEs	815,400.00
Bono Regional Coordinating Council	Settle bills relating to the mandatory quarantine of a group of 42 Ghanaians in Sunyani	210,030.00
Ministry of Health	Procurement of fabric and cost of sewing 90,000 reusable face masks	406,076.00
Ghana Atomic Energy Commission	Support construction of a holding unit to equip the gamma irradiation facility to fully manage the processing and sterilization of PPEs	47,718.00
inGenius Africa	Support the production and broadcast of "Corona Life"	200,000.00
National Commission on Culture (NCC)	Nationwide public education and sensitization campaign on prevention of and protection against COVID-19	646,000.00
Healthcare Federation Ghana	Development of a COVID-19 Laboratory Information System (LIS)	114,200.00

Name of Beneficiary Institution	Item Description	Amount (GH¢)
which, in collaboration with Medlab Services Ghana Ltd		
Selected poor and vulnerable persons affected by the COVID-19 pandemic	Support to 10,392 person in 80 relatively poor districts	5,197,000.00
Total		**43,855,226.00**

Source: CNTF

Table 12: CNTF Disbursements, 1st January – 30th June, 2021

Name of Beneficiary Institution	Item Description	Amount (GH¢)
Police Hospital	Procurement of PPEs	1,000,000.00
Noguchi Memorial Institute for Medical Research	Purchase of reagents	3,648,548.70
Kumasi Centre for Collaborative Research in Tropical Medicine	Research to ascertain the evolution of the disease in the Ghanaian context into the prevalence and nature of the COVID-19 virus in the Ghana	624,656.12
National Commission on Culture (NCC)	Nationwide public education and sensitization campaign	525,250.00
Greater Accra Regional Hospital	Connect the hospital's oxygen plant to its COVID-19 Treatment Centre	314,032.62
inGenius Africa	Production and broadcast of a sequel to the "Corona Life" series	221,500.00
Ebeye Yie (EYE) Foundation	Educate persons with hearing and speech impairment on the COVID-19 pandemic	227,104.00
National Union of Ghana Students (NUGS)	Training on COVID-19 awareness and prevention protocols	40,000.00
Police Hospital	Paid off the hospital bill of a deceased COVID-19 patient	4,223.00
various health facilities and institutions	Purchased PPE	2,041,000.00
Total		**8,646,314.44**

Source: CNTF

424. Going forward, the Trust Fund will continue to provide assistance to health institutions in the different Regions, with regards to supplies of PPEs and related items, and support research undertaken by Ghanaian experts in the medical and public health sector. The Trust Fund will continue to identify and fund tangible programmes for vulnerable groups and persons impacted by the

COVID-19 pandemic and consider ways to actively promote the vaccination programme.

4.5 Private Enterprise Fund

425. Mr. Speaker, the Ghana COVID-19 Private Sector Fund (GCPSFund) was set up as a private sector-led mechanism to mobilise resources to complement efforts of the Government in mitigating the impact of the COVID-19 pandemic in the country. The resources mobilised have played critical roles in the fight against the pandemic. Key amongst these are:

- serving over 154,000 meals during 12 days of the 'lockdown' to head-porters and other underprivileged persons in Greater Accra and Greater Kumasi;
- donating 10,000 Test Kits to support the operations of the Noguchi Memorial Institute;
- providing training for 55 doctors, nurses, and biomedical scientists on COVID-19 Treatment & Prevention to equip them to operate various health facilities; and
- distributing 468,770 PPEs to various National COVID-19 Treatment Centres to enhance safety.

426. Mr. Speaker, the dynamism and responsiveness of the private sector in this pandemic has also been felt through the completion and commissioning of the 100-Bed Infectious Disease Centre in the Ga East Municipality in July 2020. Work is currently ongoing to construct another 100-Bed Infectious Disease Centre in Kumasi.

427. These initiatives have been funded from cash and in-kind contributions. As at 31st December, 2020, total cash and in-kind donations amounted to GH¢44,051,512.57 and GH¢3,323,294.74 respectively. Additional GH¢381,956.00 cash donations have been received as at July 2021, increasing cash donations to GH¢44,433,468.57.

428. Mr. Speaker, the GCPSFund has to-date disbursed an amount of GH¢43,587,629.39, representing 98.94 percent of the cash contributions received as at 30th June, 2021.

4.6 Audit of COVID-19 Expenditures

429. Mr. Speaker, since the onset of the COVID-19 pandemic in March 2020, Parliament has approved various funding requests, including funds from our Development Partners, to enable the Government undertake critical expenditures as part of our rapid response to the health and economic hardships occasioned by the pandemic.

430. Mr. Speaker, we expect the Auditor General, with powers under Article 187 (2) of the 1992 Constitution, to audit all COVID-19-related expenditures and express his opinion to Parliament in due course.

431. The Internal Audit Unit of Ministry of Finance has, however, undertaken a review of all COVID-19 related expenditure releases, and steps have been taken to address the process improvement areas and recommendations identified by the review. Also, all the constructive feedback received from the fourteen (14) engagements with Parliament and its Finance Committee between March and November 2020, on all aspects of COVID-19 related funding have been well considered.

432. The Ministry has also instituted a continuous internal auditing of all COVID-19 related expenditures to ensure full compliance with the expenditure controls established under the Public Financial Management framework. We shall continue to undertake such audits and reviews to ensure value for money of all COVID-19 related expenditures as we accelerate our health and economic recovery.

CHAPTER FIVE: REVISED 2021 MACROECONOMIC FRAMEWORK AND FISCAL TARGETS

5.1 Revision to the 2021 Macroeconomic Framework

433. Mr. Speaker, macroeconomic developments following the presentation and passage of the 2021 Budget Statement and Economic Policy by this august House in March 2021 have necessitated a revision of the macro-fiscal framework that underpinned the 2021 Budget. This revision, therefore, is informed by performance of the economy for the first half-year of 2021.

434. Mr. Speaker, developments in the real, fiscal, monetary, and external sectors of the economy for the first six months of the year, as well as other domestic and global developments, necessitate a revision of the 2021 macroeconomic framework. Specifically, these developments include:

- Update on global and SSA regional developments in GDP as released by the IMF through the April 2021 edition of the World Economic Outlook (WEO);
- Update in GDP data for the full year of 2020 and newly published Q1 2021 GDP outturn, both by the Ghana Statistical Service;
- A revision of the 2021 GDP projections;
- Fiscal developments in the first half of 2021;
- Revision in the allocation for compensation of employees to reflect the 4.0 percent increase in public sector base pay for the 2021 financial year; and
- Revision in interest payments to reflect developments in the first half of 2021.

435. Mr. Speaker, a recalibration of the macroeconomic framework to reflect the above developments has led to a revision in the overall real GDP growth rate to 5.1 percent in 2021 compared to the 5.0 percent originally projected in the 2021 Budget. Similarly, non-oil GDP for 2021 growth has been revised to 7.0 percent, up from the 6.7 percent in the 2021 Budget.

436. Over the medium-term (2022-2025), real GDP growth is expected to average 5.4 percent, supported by a ramp up in Government's flagship programmes, the implementation of the Ghana CARES (Obaatan Pa) Programme, benefits from the AfCFTA Programme, an enhanced digitalisation drive, an aggressive FDI push, and the pursuance of the *Ghana as a Regional Hub* agenda.

437. Mr. Speaker, the originally projected Gross International Reserves cover of 4.0 months of import of Goods and Services and the end-period inflation projection of 8.0 percent, however, remain unchanged.

5.2 Revision to the 2021 Fiscal Framework

438. Mr. Speaker, domestic developments on the fiscal front for the first half of 2021 largely informed the revision to the 2021 fiscal framework. These developments include:

- The revision of the overall GDP;
- Revision in the allocation for compensation of employees to reflect the 4.0 percent increase in public sector base pay for the 2021 financial year; and
- Revision in interest payments to reflect developments in the first half of 2021.

439. Mr. Speaker, mindful of the broad medium-term fiscal policy objective to pursue a fiscal consolidation drive towards fiscal and debt sustainability to support macroeconomic stability, and the implementation of the Ghana CARES "Obaatan Pa" Programme, the revision of the 2021 fiscal framework ensures that the overall fiscal balance for 2021 is within the 9.5 percent of GDP originally announced in the 2021 Budget.

Revisions to Total Revenue and Grants

440. Mr. Speaker, Total Revenue and Grants have been revised to GH¢72,477 million (16.5% of GDP) in 2021, representing a marginal 0.03 percent increase over the original 2021 Budget target of GH¢72,452 million (16.7% of GDP), and 31.5 percent higher than the 2020 outturn of GH¢55,128 million (14.4% of GDP), as shown in Table 13.

Revisions to Expenditures

441. Mr. Speaker, Total Expenditure (including payments for the clearance of arrears) is projected to remain unchanged from the original budget projection of GH¢113,750 million (25.9% of GDP), about 13.7 percent higher than the 2020 outturn of GH¢100,026 million. However, some expenditure items have been adjusted to reflect developments in the first half of 2021, while also ensuring that the total envelope remains intact. Among these are the following:

- Upward adjustment in Compensation of Employees by GH¢1,177 million from the original projection of GH¢30,314 million (7.0% of GDP) to GH¢31,491 million (7.2% of GDP), reflecting the increase in the public sector base pay by 4.0 percent;

- Savings of GH¢3,336 million from the downward adjustment of interest payments to GH¢32,528 million (7.4% of GDP), 9.3 percent lower than the original budget provision of GH¢35,864 million (8.3% of GDP). This is largely on account of the implementation of the domestic liability management strategy which has resulted in a reduction in the cost of borrowing along the yield curve; and

- Adjustments in expenditures on Goods and Services and Domestic Capex expenditures to reflect other priority interventions.

Overall Balance and Financing

442. Mr. Speaker, these revisions in Government's fiscal operations are expected to reduce the fiscal deficit (on cash basis) to GH¢41,273 million (9.4% of GDP) down from the original deficit target of GH¢41,298 million (9.5% of GDP). The deficit is expected to be financed from both foreign and domestic sources. Net Foreign Financing of the deficit will amount to GH¢15,874 million (3.6 percent of GDP), equivalent to 38.5 percent of the total financing, while total Domestic Financing will amount to GH¢25,399 million (5.8% of GDP), or 61.5 percent of the total for 2021. The corresponding primary balance is, however, expected to increase from a deficit of GH¢5,434 million (1.3% of GDP) in the original 2021 Budget to a deficit of GH¢8,745 million (2.0% of GDP), as shown in Table 13.

Table 13: Summary of Government Fiscal Operations (GH¢ million)

No	Item	2020		2021			
		Rev. Budget	Prov. Outturn	Budget	Rev. Budget	Dev	
						GH¢Mn	%
1	**Total Revenue & Grants**	**53,667**	**55,128**	**72,452**	**72,477**	**25**	**0.03**
	% of GDP	*13.9*	*14.4*	*16.7*	*16.5*		
	% Change		*3.3*	*31.4*	*31.5*		
2	**Total Expenditures (incl. arrears)**	**97,740**	**100,026**	**113,750**	**113,750**	**0**	**0**
	% of GDP	*25.4*	*26.1*	*26.2*	*25.9*		
	% Change		*42.3*	*13.7*	*13.7*		
3	**Overall Fiscal Balance (Cash)**	**-44,074**	**-44,898**	**-41,298**	**-41,273**	**25**	**-0.06**
	% of GDP	*-11.4*	*-11.7*	*-9.5*	*-9.4*		
4	**Primary Balance**	**-17,806**	**-20,299**	**-5,434**	**-8,745**	**-3,311**	**60.9**
	% of GDP	*-4.6*	*-5.3*	*-1.3*	*-2.0*		
5	**Total Financing**	**44,074**	**44,898**	**41,298**	**41,273**	**-25**	**0**
	% of GDP	*11.4*	*11.7*	*9.5*	*9.4*		
6	**Domestic Financing**	**25,612**	**44,867**	**25,424**	**25,399**	**-25**	**0**
	% of GDP	*6.6*	*11.7*	*5.9*	*5.8*		
7	**Foreign Financing**	**18,462**	**31**	**15,874**	**15,874**	**0**	**0**
	% of GDP	*4.8*	*0.0*	*3.6*	*3.6*		
8	**APPROPRIATION**	**111,911**	**109,933**	**129,033**	**129,033**	**0**	**0**
9	**Nominal GDP**	**385,378**	**383,486**	**433,686**	**439,381**	**5,695**	**1.3**

Source: MoF

5.3 Update on the Suspension of Fiscal Responsibility Rules

443. Mr. Speaker, a reflection of the factors behind the 2021 revised fiscal framework and other considerations for the medium-term outlined below ensures a return to the Fiscal Responsibility Threshold of a deficit of 5.0 percent of GDP and a primary surplus by 2024. The fiscal consolidation strategy for the medium-term will be supported by revenue enhancing measures and expenditure rationalisation initiatives.

444. On the revenue side, compliance measures will be strengthened and aggressively implemented. They will include: digitalisation services in tax

administration; third party data matching, including the use of Ghana Card for Tax Identification; audits in upstream petroleum and mining sectors; implementation of the automation of customs vehicle auction process; use of Fiscal Electronic Devices (FEDs); plugging tax leakages from betting and gaming; and introduction of a new system for taxing e-commerce activities. Other revenue measures will include the introduction of the Exemption Bill, review of the property rates, review of fees and charges, as well as other tax policy measures to be considered as and when required.

445. On the expenditure side, wage bill containment measures such as negotiating wage adjustments within budgetary constraints, payroll audits, and the use of biometric registration mechanism to weed out ghost workers will be pursued. Other expenditure measures will include partnering with the private sector to execute growth-oriented projects through PPPs with balanced shared risks, strict enforcement of the PFM Act 921, enforcement and implementation of an enhanced commitment control system, enforcing procurement codes to ensure value for money, and leveraging the balance sheet of GIIF to embark on accelerated infrastructure development.

CHAPTER SIX: CONCLUSION

446. Mr. Speaker, it has been almost sixteen (16) months since 11th March 2020, when the World Health Organization declared the COVID-19 a pandemic. However, as a country, we have reason to be optimistic and hopeful. Based on key indicators, we are on track to recovering from the most difficult crisis in the postwar era. In the next few months, the Ministry of Health aims to embark on an aggressive vaccination programme which, we are confident will help us achieve herd immunity and break the chain of infection in our nation.

447. Mr. Speaker, we are only in the seventh month of the second four-year mandate of the Government of President Akufo-Addo and the New Patriotic Party. Ghanaians renewed our mandate because they recognised that the difficult crisis that the country and the world, as a whole, were facing as a result of the COVID-19 pandemic required competent and bold leadership, which we have provided and will continue to provide under the decisive leadership of H.E. President Nana Akufo-Addo.

448. Mr. Speaker, permit me to say with all the confidence that I can muster, that the President's promise to leave at the end of his term in January 2025, a legacy of a proud and confident nation at peace with itself and the world around it, is on course. We are pushing the boundaries of our economic activity and doing so right from the centre of a fast-integrating single market for the continent of Africa. If we stay on course, Mr. Speaker, a few years from now, within this decade, Ghana's strategic place at the centre of the African Continental Free Trade Area of one billion consumers and some US$2.5 trillion GDP and growing, will become a reality.

449. The policies of this government, in education, in infrastructural development, in industrialization, in fast-tracking digital technologies, in strengthening the financial services sector, in foreign diplomacy, are all being deliberately pursued and synchronized to get this generation to establish Sub-Saharan Africa's first independent nation, Ghana, as the commercial and investment centre for Africa.

450. We began by setting the country on a transformation track back in 2017 with our bold vision of a Ghana Beyond Aid. The recovery is on; we are back on track, despite the pandemic. The plan of the President is to achieve, from this year, a strong and sustainable recovery of the economy.

451. Mr. Speaker, our pillars of recovery in 2021 have been built on the strategy of **completion, consolidation** and **continuity**. We choose to be bold in crafting a 2021 Budget that deals with the past, delivers opportunities in the present, while investing in the future in a responsible and interconnected manner. Specifically, in 2021, we aim at:

- COVID-19 containment measures, including vaccination;
- Creating jobs, promoting entrepreneurship and wealth creation;
- developing our infrastructure, with priority focus on roads, railway, water and sanitation, hospitals and housing;
- Diversifying productivity and high-value services;

- Implementing bold reforms to increase revenue mobilisation and the efficiency of public expenditures;
- Deepening structural reforms to make the machinery of Government work better for the people; and
- Rolling out digital technologies (eg. National ID, Digital Address System, Payment System Interoperability, Land Title Registration, Ghana.Gov etc) to improve service delivery.

452. Mr. Speaker, the deliberate strategy of the Akufo-Addo Government to invest in digital infrastructure and get Ghana fully plugged into the global ecosystem of digital technologies has been further vindicated by the Covid-19 crisis. The pandemic has heightened the need for digital technology in our homes, for school, for work and even leisure. That is why today, Ghana is at the forefront of using digital technology to expand access to finance and financial products for all Ghanaians.

453. Digitalisation is making the delivery of services more efficient, diversifying production and boosting productivity. In the process, it is creating new and better paid jobs for the young people of Ghana. Critical to all this, is access to affordable high-speed internet. Government is doing what it is needed to support the telecommunications industry to deliver on this.

454. Mr. Speaker, we are making the necessary investments to empower our people and enhance the quality of their lives. Our strategy as Government is to use all the human and natural resources of our country in a sustainable and efficient manner to improve the quality of life of every Ghanaian. That is why, in this Mid-Year Fiscal Policy Review, we have clearly outlined our strategy for economic revitalization and transformation.

455. We have shown that:

- We are on track towards a fiscal consolidation through our prudent measures;
- We are on track to consolidate our flagship programmes to improve the welfare of our people;
- We are on track in supporting commercial farming for food security and export expansion;
- We are on track in building a strong light manufacturing sector in Ghana, with catalytic financial and technical support;
- We are on track towards deploying digital technologies to enhance delivery of public service;
- We are on track with our agenda to positioning Ghana as a Regional Hub for investments in agrobusiness, Information Communication Technology (ICT), manufacturing, education, health service delivery, financial services, petrochemical industry, transportation and logistics, and aviation, among others;
- We are on track to opening the doors of Development Bank Ghana to finance Ghanaian businesses and enterprises through the strengthening of Ghanaian financial institutions; and
- We are on track towards improving the security and safety of our people.

456. Our journey to recovery and transformation recognises that the solutions to our challenges lie primarily with ourselves and that, with purposeful leadership and a determined people, we shall surely overcome. Our appreciation of our shared responsibility between Government and the governed; our acceptance of the principle of rendering unto Caesar what belongs to Caesar; and our appetite to see more, all that is good in us as Ghanaians, and focus more on that which is constructive as against that which dampens our spirit, is what I will beg of all of us to dwell on the more. Dwell on our positives for they are more than our negatives.

457. With purpose, we have laid-out our recovery and revitalisation plan in the GH¢100 billion Ghana CARES "Obaatan Pa" Programme. This programme is anchored on our faith in the inherent capacity of the Ghanaian, both at home and abroad, to succeed. It is also anchored on a stronger partnership with the domestic private sector, Employers, Organised Labour, foreign investors and our development partners. By the Grace of God, with the resilience of the Ghanaian people and the competent management by this Government, our progress is assured.

458. Mr. Speaker, just seven days ago, fourteen (14) Ghanaians began a journey to raise high the flag of Ghana at the 2020 Tokyo Olympics. Their success is our success so we should continue to keep them in our thoughts and prayers.

459. Mr. Speaker, together as a people, we are on track to a strong economic recovery in 2021. Together, we are recovering from the devastations caused by this pandemic. Together, we are intervening in diverse areas to enable our people to thrive. But, we are not yet there. New upside risks are beginning to emerge as latest health statistics show that the COVID-19 infections are beginning to rise again. As the President remarked on Sunday:

"At a time when the economy is on the rebound, and business activities picking up, we must do everything possible to contain this outbreak. We cannot afford to return to the days of partial lockdowns, which brought considerable hardships and difficulties for all of us."

460. Let us be each other's keeper. Observe the COVID-19 protocols that have served us so well, especially the wearing of face masks.

461. Mr. Speaker, before I resume my seat, allow me to convey the heartfelt gratitude of the President for the support this august House continues to extend to him and his government. So far, this House has shown that we can debate and disagree on many issues and yet remain true and united on the main goal of advancing the general well-being of our people and the deepening of our democracy.

462. Mr. Speaker, I beg to move.

APPENDICES

Appendix 1A: Real GDP Growth (percent) at Constant 2013 Prices

S/n	Item	Actual						Provisional Outturn	Projection			
		2014	2015	2016	2017	2018	2019	2020*	2021**	2022	2023	2024
1.	**AGRICULTURE**	**0.9**	**2.1**	**2.7**	**6.2**	**4.9**	**4.7**	**7.4**	**5.3**	**4.3**	**4.9**	**5.1**
1	Crops	2.8	1.7	2.2	7.2	5.8	5.3	8.7	5.7	4.5	5.2	5.4
	o.w. Cocoa	*4.3*	*-8.0*	*-7.0*	*9.2*	*3.7*	*5.4*	*1.9*	*15.2*	*5.0*	*6.3*	5.2
1	Livestock	5.1	5.2	5.4	5.7	5.4	5.4	5.4	5.5	5.0	5.3	5.5
1	Forestry and Logging	-1.5	-3.9	2.9	3.4	2.4	-1.7	-9.2	2.0	2.0	2.1	2.1
1	Fishing	-23.3	8.5	3.1	-1.4	-6.8	1.7	14.4	1.4	1.5	1.7	2.5
2.	**INDUSTRY**	**1.1**	**1.2**	**4.3**	**15.6**	**10.5**	**6.4**	**-3.6**	**2.6**	**6.2**	**5.5**	**4.7**
2	Mining and Quarrying	5.4	-8.3	-0.2	30.8	23.3	12.6	-11.0	0.5	6.5	4.3	2.0
	*o.w. Oil****	*9.3*	*2.0*	*-15.6*	*80.3*	*3.6*	*17.2*	*-4.6*	*-16.6*	*5.9*	*5.2*	-2.8
2	Manufacturing	-2.6	3.7	7.9	9.5	4.1	6.3	1.4	3.0	6.0	6.8	6.5
2	Electricity	1.3	17.7	-5.8	19.4	5.5	6.0	7.9	7.5	8.0	7.1	8.0
2	Water and Sewerage	5.9	13.9	-11.8	6.1	-3.6	-4.4	2.2	5.2	6.5	5.0	6.0
2.1	Construction	-0.4	9.5	8.4	5.1	1.1	-4.4	2.9	5.0	5.5	5.5	6.0
3.	**SERVICES**	**5.2**	**2.9**	**2.8**	**3.4**	**2.8**	**7.6**	**1.5**	**7.3**	**5.1**	**5.2**	**5.1**
3.01	Trade; Repair of Vehicles, Household Goods	2.0	0.5	-0.4	8.2	2.8	3.7	-1.1	8.1	4.2	4.0	5.0
3.02	Hotels and Restaurants	1.5	4.1	2.3	7.6	3.2	6.0	-34.8	15.1	8.0	7.0	6.5
3.03	Transport and Storage	5.8	2.6	1.1	8.9	1.1	4.3	3.7	3.5	3.6	3.3	4.0
3.04	Information and communication	29.7	11.9	5.6	4.2	13.1	46.5	22.5	15.0	9.0	10.0	6.0
3.05	Financial and Insurance Activities	21.4	12.9	8.0	-17.7	-8.2	1.6	5.5	5.0	4.3	5.3	4.5
3.06	Real Estate	-0.3	3.1	3.2	3.8	-6.5	19.9	12.5	6.5	6.0	5.0	5.0
3.07	Professional, Administrative & Support Service activities	6.8	1.4	-4.2	2.9	0.3	5.1	-5.9	2.0	1.9	2.5	2.9
3.08	Public Administration & Defence; Social Security	-3.5	-2.6	8.9	4.2	4.3	3.7	7.3	4.0	4.6	4.7	4.9
3.09	Education	-0.3	-0.5	2.3	6.3	3.9	9.4	7.8	8.0	6.5	6.3	6.3
3.10	Health and Social Work	2.7	-4.4	4.0	14.1	22.6	10.4	8.2	7.0	4.5	4.6	4.7
3.11	Other Service Activities	1.4	2.7	-0.1	5.3	3.1	2.6	1.1	1.0	1.1	3.5	4.0
4.	**GROSS DOMESTIC PRODUCT at basic prices**	**2.8**	**2.1**	**3.3**	**8.3**	**6.1**	**6.5**	**0.7**	**5.1**	**5.3**	**5.3**	**4.9**
	Net indirect Taxes	3.5	2.6	4.8	4.6	7.5	6.1	-4.6	5.5	5.0	5.4	5.6
5.	**GROSS DOMESTIC PRODUCT in purchasers' value**	**2.9**	**2.1**	**3.4**	**8.1**	**6.2**	**6.5**	**0.4**	**5.1**	**5.3**	**5.3**	**5.0**
6.	**Non-Oil GDP**	**2.5**	**2.1**	**4.5**	**4.6**	**6.4**	**5.6**	**0.9**	**7.0**	**5.3**	**5.3**	**5.5**

*Provisional
**Revised
*** Oil means Oil and Gas

Appendix 1B: GDP at Constant 2013 Prices by Economic Activity (Gh¢ Million)

S/n	Item	Actual							Provisional Outturn	Projection			
		2013	2014	2015	2016	2017	2018	2019	2020*	2021**	2022	2023	2024
1.	**AGRICULTURE**	**25,355.9**	**25,584.2**	**26,110.5**	**26,824.1**	**28,491.0**	**29,880.1**	**31,271.1**	**33,583.1**	**35,350.5**	**36,868.1**	**38,672.2**	**40,651.7**
1.01	Crops	18,521.4	19,035.4	19,355.4	19,787.9	21,206.8	22,446.9	23,635.6	25,702.9	27,167.9	28,390.5	29,866.8	31,479.6
	o.w. Cocoa	*2,597.2*	*2,708.8*	*2,493.2*	*2,318.3*	*2,531.2*	*2,625.4*	*2,768.1*	*2,820.8*	*3,249.5*	*3,412.0*	*3,626.9*	*3,815.5*
1.02	Livestock	3,058.4	3,214.3	3,383.0	3,564.2	3,766.2	3,968.7	4,183.7	4,411.6	4,654.3	4,887.0	5,146.0	5,429.0
1.03	Forestry and Logging	2,013.7	1,982.7	1,905.0	1,959.5	2,025.8	2,073.5	2,037.4	1,850.7	1,887.7	1,925.4	1,965.9	2,007.1
1.04	Fishing	1,762.4	1,351.8	1,467.1	1,512.6	1,492.1	1,391.0	1,414.4	1,618.0	1,640.6	1,665.2	1,693.5	1,735.9
2.	**INDUSTRY**	**42,434.2**	**42,914.1**	**43,408.2**	**45,284.6**	**52,355.5**	**57,854.4**	**61,537.3**	**59,344.0**	**60,889.4**	**64,647.7**	**68,202.5**	**71,378.7**
2.01	Mining and Quarrying	15,557.8	16,393.9	15,040.3	15,004.4	19,618.6	24,191.8	27,240.3	24,243.9	24,365.1	25,948.8	27,064.6	27,605.9
	*o.w. Oil****	*6,648.8*	*7,266.3*	*7,412.4*	*6,254.6*	*11,278.5*	*11,680.4*	*13,689.2*	*13,055.9*	*10,888.7*	*11,531.1*	*12,130.7*	*11,791.0*
2.02	Manufacturing	14,425.1	14,054.7	14,569.1	15,722.8	17,219.0	17,932.7	19,066.3	19,331.5	19,911.4	21,106.1	22,541.3	24,006.5
2.03	Electricity	1,340.7	1,358.1	1,598.2	1,506.1	1,798.6	1,898.2	2,011.6	2,170.7	2,333.5	2,520.2	2,699.1	2,915.1
2.04	Water and Sewerage	702.6	744.3	848.1	748.0	793.4	764.8	731.2	747.0	785.8	836.9	878.7	931.5
2.05	Construction	10,407.9	10,363.0	11,352.5	12,303.3	12,925.9	13,066.8	12,487.8	12,851.0	13,493.5	14,235.7	15,018.6	15,919.7
3.	**SERVICES**	**50,523.6**	**53,154.2**	**54,682.7**	**56,191.1**	**58,127.9**	**59,761.4**	**64,316.8**	**65,260.2**	**70,050.9**	**73,604.8**	**77,441.4**	**81,364.7**
3.01	Trade; Repair of Vehicles, Household Goods	13,876.8	14,160.4	14,232.4	14,168.3	15,330.7	15,753.9	16,329.9	16,154.6	17,463.1	18,196.6	18,924.4	19,870.7
3.02	Hotels and Restaurants	4,675.1	4,746.3	4,939.0	5,052.3	5,438.6	5,612.4	5,949.5	3,880.4	4,466.3	4,823.6	5,161.3	5,496.7
3.03	Transport and Storage	7,054.7	7,463.4	7,659.1	7,746.6	8,439.8	8,532.9	8,903.5	9,228.7	9,551.7	9,895.6	10,222.1	10,631.0
3.04	Information and communication	1,949.4	2,527.5	2,829.6	2,986.8	3,111.6	3,520.0	5,157.9	6,317.6	7,265.2	7,919.1	8,711.0	9,233.7
3.05	Financial and Insurance Activities	5,882.6	7,140.7	8,062.3	8,707.0	7,165.3	6,577.5	6,680.6	7,046.1	7,398.4	7,716.6	8,125.6	8,491.2
3.06	Real Estate	1,173.3	1,170.3	1,206.6	1,244.7	1,292.3	1,208.3	1,448.2	1,629.2	1,735.1	1,839.2	1,931.2	2,027.8
3.07	Professional, Administrative & Support Service activities	1,671.2	1,784.9	1,810.0	1,733.6	1,783.6	1,788.4	1,879.3	1,769.3	1,804.7	1,839.0	1,885.0	1,939.6
3.08	Public Administration & Defence; Social Security	4,585.0	4,424.4	4,310.9	4,692.9	4,888.6	5,098.6	5,286.9	5,673.1	5,900.0	6,171.4	6,461.5	6,778.1
3.09	Education	5,325.1	5,309.3	5,285.2	5,406.3	5,746.6	5,972.9	6,534.6	7,045.0	7,608.6	8,103.1	8,613.6	9,156.3
3.10	Health and Social Work	2,700.2	2,773.4	2,650.2	2,756.5	3,144.7	3,854.1	4,256.2	4,605.0	4,927.4	5,149.1	5,386.0	5,639.1
3.11	Other Service Activities	1,630.2	1,653.5	1,697.5	1,695.9	1,786.1	1,842.3	1,890.2	1,911.2	1,930.3	1,951.5	2,019.8	2,100.6
4.	**GROSS DOMESTIC PRODUCT at basic prices**	**118,313.7**	**121,652.5**	**124,201.4**	**128,299.8**	**138,974.4**	**147,495.9**	**157,125.1**	**158,187.3**	**166,290.8**	**175,120.6**	**184,316.1**	**193,395.1**
	Net indirect Taxes	6,163.9	6,380.5	6,546.8	6,859.2	7,171.5	7,711.2	8,182.5	7,805.3	8,234.6	8,646.4	9,113.3	9,626.7
5.	**GROSS DOMESTIC PRODUCT in purchasers' value**	**124,477.6**	**128,033.0**	**130,748.2**	**135,159.0**	**146,145.9**	**155,207.1**	**165,307.6**	**165,992.7**	**174,525.4**	**183,767.0**	**193,429.4**	**203,021.8**
6.	**Non-Oil GDP**	**117,828.8**	**120,766.7**	**123,335.8**	**128,904.4**	**134,867.4**	**143,526.6**	**151,618.4**	**152,936.8**	**163,636.7**	**172,235.9**	**181,298.7**	**191,230.7**

*Provisional
**Revised
*** Oil means Oil and Gas

Appendix 1C: GDP at Current Market Prices by Economic Activity (Gh¢ Million)

S/n	Item	Actual							Provisional Outturn	Projection			
		2013	2014	2015	2016	2017	2018	2019	2020*	2021**	2022	2023	2024
1.	**AGRICULTURE**	**25,355.9**	**31,076.3**	**36,673.3**	**45,772.9**	**51,407.8**	**55,967.1**	**61,765.0**	**73,839.8**	**83,651.8**	**94,092.9**	**106,673.4**	**120,723.0**
1.01	Crops	18,521.4	22,402.7	26,573.6	34,965.5	39,729.9	43,801.1	48,924.6	59,926.6	68,156.4	76,921.3	87,475.9	99,298.9
	o.w. Cocoa	*2,597.2*	*4,267.3*	*4,781.5*	*5,028.2*	*5,490.1*	*5,694.4*	*5,792.5*	*6,658.9*	*8,254.1*	*9,316.8*	*10,676.3*	*12,073.8*
1.02	Livestock	3,058.4	3,914.1	4,251.0	4,582.7	4,987.5	5,288.1	5,654.6	6,133.8	6,988.8	7,888.6	8,971.3	10,174.6
1.03	Forestry and Logging	2,013.7	2,843.9	3,398.2	3,482.8	3,987.8	4,168.3	4,257.0	4,128.2	4,526.6	4,940.3	5,447.6	5,979.1
1.04	Fishing	1,762.4	1,915.6	2,450.5	2,742.0	2,702.6	2,709.5	2,928.8	3,651.2	3,980.0	4,342.7	4,778.6	5,270.4
2.	**INDUSTRY**	**42,434.2**	**53,791.0**	**57,112.0**	**60,812.9**	**78,713.8**	**96,210.6**	**110,912.8**	**114,046.2**	**128,929.1**	**145,006.2**	**162,689.6**	**181,689.5**
2.01	Mining and Quarrying	15,557.8	22,265.4	17,137.2	16,851.2	26,267.7	39,296.2	47,459.8	43,908.1	50,746.8	57,017.9	61,848.4	65,924.2
	*o.w. Oil****	*6,648.8*	*9,555.8*	*4,691.9*	*1,027.0*	*9,022.6*	*16,971.1*	*21,334.7*	*13,792.8*	*12,676.5*	*14,055.4*	*15,747.4*	*16,163.6*
2.02	Manufacturing	14,425.1	17,486.9	20,368.2	23,761.1	26,679.8	31,229.5	36,229.2	40,165.6	44,225.1	49,457.0	57,045.6	65,613.9
2.03	Electricity	1,340.7	1,392.7	3,009.5	3,522.0	4,435.1	4,221.1	4,377.3	4,758.2	5,498.7	6,324.6	7,302.0	8,493.4
2.04	Water and Sewerage	702.6	729.9	1,577.1	1,845.7	2,324.2	2,212.1	2,294.0	2,464.5	2,753.4	3,108.3	3,492.2	3,983.0
2.05	Construction	10,407.9	11,916.1	15,020.0	14,832.9	19,007.0	19,251.8	20,552.5	22,749.8	25,705.1	29,098.5	33,001.4	37,675.0
3.	**SERVICES**	**50,523.6**	**59,369.5**	**74,355.9**	**96,437.0**	**114,272.1**	**134,786.4**	**160,948.2**	**172,608.3**	**200,166.9**	**227,838.0**	**258,957.9**	**292,266.7**
3.01	Trade; Repair of Vehicles, Household Goods	13,876.8	16,842.0	21,644.5	29,504.7	35,315.4	44,713.2	53,765.6	55,765.6	64,502.4	72,924.5	82,212.1	92,796.9
3.02	Hotels and Restaurants	4,675.1	5,384.2	5,905.2	7,417.1	9,453.1	10,807.4	12,473.4	8,974.1	11,207.2	13,205.3	15,330.6	17,470.0
3.03	Transport and Storage	7,054.7	7,801.1	10,057.4	13,259.3	17,294.0	21,083.2	23,529.7	26,116.7	29,328.4	33,118.8	37,017.1	41,385.2
3.04	Information and communication	1,949.4	2,890.2	3,801.0	4,473.1	5,237.4	7,055.8	10,176.5	12,831.2	16,113.4	19,144.3	22,848.7	25,987.7
3.05	Financial and Insurance Activities	5,882.6	7,109.8	9,436.5	13,358.9	11,875.6	11,613.2	12,636.6	14,021.9	15,827.2	17,828.4	20,387.8	22,967.0
3.06	Real Estate	1,173.3	1,367.8	2,227.8	3,555.5	5,699.8	6,263.3	9,006.4	10,992.0	12,760.1	14,743.0	16,734.0	18,800.7
3.07	Professional, Administrative & Support Service activities	1,671.2	2,192.3	2,761.7	3,229.1	3,813.3	4,284.2	5,016.4	5,217.1	5,800.4	6,353.9	7,033.7	7,802.3
3.08	Public Administration & Defence; Social Security	4,585.0	4,891.1	5,630.1	6,990.3	8,435.7	9,942.1	11,642.6	12,997.7	14,734.2	16,706.6	18,891.1	21,303.1
3.09	Education	5,325.1	5,888.4	7,125.1	7,826.4	9,129.1	10,076.3	12,155.1	14,237.0	16,759.8	19,187.9	22,028.4	25,172.4
3.10	Health and Social Work	2,700.2	3,213.8	3,554.5	4,112.1	5,101.3	5,999.3	7,233.7	7,997.9	9,328.0	10,527.6	11,914.8	13,460.3
3.11	Other Service Activities	1,630.2	1,788.7	2,212.0	2,710.5	2,917.5	2,948.5	3,312.1	3,457.0	3,805.9	4,097.8	4,559.4	5,121.1
4.	**GROSS DOMESTIC PRODUCT at basic prices**	**118,313.7**	**144,236.9**	**168,141.2**	**203,022.8**	**244,393.7**	**286,964.1**	**333,626.0**	**360,494.3**	**412,747.8**	**466,937.2**	**528,320.9**	**594,679.2**
	Net indirect Taxes	6,163.9	14,447.1	15,384.4	16,571.8	18,404.3	21,623.3	22,918.3	22,991.8	26,633.5	30,761.7	34,854.5	39,763.5
5.	**GROSS DOMESTIC PRODUCT in purchasers' value**	**124,477.6**	**158,684.0**	**183,525.6**	**219,594.6**	**262,798.0**	**308,587.4**	**356,544.3**	**383,486.1**	**439,381.4**	**497,698.9**	**563,175.4**	**634,442.7**
6.	**Non-Oil GDP**	**117,828.8**	**149,128.2**	**178,833.8**	**218,567.6**	**253,775.4**	**291,616.3**	**335,209.6**	**369,693.3**	**426,704.8**	**483,643.5**	**547,428.0**	**618,279.0**

*Provisional
**Revised
*** Oil means Oil and Gas

Appendix 2A: Summary of Central Government Operations - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Prog Q1+Q2	2021 Prov Q1+Q2
I. REVENUES			
Total Revenue & Grants	**72,452,312,994**	**32,362,462,628**	**28,304,424,085**
(per cent of GDP)	16.7	7.5	6.5
Domestic Revenue	**70,987,176,840**	**31,493,895,781**	**27,856,680,310**
Tax Revenue	**55,834,841,211**	**25,118,170,797**	**23,279,829,772**
Taxes on Income and Property	**29,932,715,411**	**12,940,409,013**	**11,632,131,272**
Company Taxes	14,734,560,000	6,133,924,426	5,120,268,592
Company Taxes on Oil	971,004,440	323,668,147	559,354,359
Other Direct Taxes	14,227,150,971	6,482,816,441	5,952,508,322
Taxes on Domestic Goods and Services	**22,711,940,000**	**10,595,155,336**	**9,792,623,152**
Excises	5,338,390,000	2,755,217,820	2,328,941,313
VAT	11,114,380,000	5,209,003,105	5,123,266,030
National Health Insurance Levy (NHIL)	2,373,880,000	1,109,228,615	1,020,315,700
GETFund Levy	2,388,550,000	1,116,418,615	1,021,098,097
Communication Service Tax	607,670,000	304,901,790	213,728,234
Covid-19 Health Levy	889,070,000	100,385,391	85,273,778
International Trade Taxes	**6,613,520,000**	**3,139,030,000**	**3,113,019,943**
Import Duties	6,613,520,000	3,139,030,000	3,113,019,943
Tax Refunds	**-3,423,334,200**	**-1,556,423,553**	**-1,257,944,596**
Social Contributions	**644,970,164**	**322,485,082**	**0**
Non-tax revenue	**10,302,234,723**	**4,215,150,105**	**3,327,620,259**
Other Revenue	**4,205,130,742**	**1,838,089,797**	**1,249,230,280**
Grants	**1,465,136,154**	**868,566,848**	**447,743,775**
Project Grants	1,465,136,154	868,566,848	447,743,775
Programme Grants	0	0	0
II. EXPENDITURE			
Total Expenditure	**110,050,226,597**	**53,062,998,651**	**49,610,719,433**
(percent of GDP)	25.4	12.2	11.4
Compensation of Employees	30,313,597,722	15,156,798,861	14,690,697,663
Wages & Salaries	25,798,806,572	12,899,403,286	13,003,059,148
(percent of GDP)	5.9	3.0	3.0
Social Contributions	4,514,791,150	2,257,395,575	1,687,638,515
Use of Goods and Services	**5,966,791,693**	**2,693,268,777**	**4,402,271,633**
Interest Payments	**35,863,814,494**	**17,928,130,065**	**15,024,776,848**
Domestic	28,368,065,813	14,184,032,906	11,887,264,702
External	7,495,748,681	3,744,097,158	3,137,512,147
Subsidies	247,678,856	112,925,416	135,930,772
Grants to Other Government Units	18,081,390,564	7,995,336,913	5,698,589,402
Social Benefits	165,084,002	106,902,428	0
Other Expenditure	7,884,158,132	3,710,904,827	2,788,669,258
Capital Expenditure	**11,527,711,135**	**5,358,731,364**	**6,869,783,856**
Domestic Financed	3,415,317,127	1,563,260,707	1,174,541,789
Foreign Financed	8,112,394,008	3,795,470,657	5,695,242,067
Overall Balance (Commitment)	**-37,597,913,603**	**-20,700,536,023**	**-21,306,295,348**
(percent of GDP)	-8.7	-4.8	-4.9
Arrears clearance (net change)	-3,700,000,000	-2,025,000,000	-1,372,644,357
Overall Balance (Cash)	**-41,297,913,603**	**-22,725,536,023**	**-22,678,939,705**
(percent of GDP)	-9.5	-5.2	-5.2
Discrepancy	0	0	364,010,736
Overall balance (incl. Divestiture and Discrepancy)	**-41,297,913,603**	**-22,725,536,023**	**-22,314,928,969**

Appendix 2A: Summary of Central Government Operations - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Prog Q1+Q2	2021 Prov Q1+Q2
Financing	**41,297,913,603**	**22,725,536,023**	**22,314,928,969**
Foreign (net)	**15,874,311,384**	**19,869,342,190**	**15,238,050,607**
Borrowing	31,156,888,988	27,436,534,943	21,043,490,169
Project Loans	6,647,257,855	2,926,903,809	5,247,498,292
Sovereign Bond	24,509,631,133	24,509,631,133	15,795,991,877
Amortisation (due)	-15,282,577,604	-7,567,192,753	-5,805,439,562
Domestic (net)	**41,850,022,247**	**18,505,962,513**	**7,405,648,696**
Banking	22,931,009,279	11,465,504,640	-5,683,753,977
Bank of Ghana[1]	0	0	-12,390,312,916
o/w Transfer to GIIF Energy Fund	6,127,407,783	6,127,407,783	0
Comm. Banks	22,931,009,279	11,465,504,640	6,706,558,940
Non-banks	18,143,482,569	6,808,583,418	13,089,402,673
o/w Non-residents	0	0	6,106,642,974
Other Domestic	775,530,399	231,874,456	0
o/w Debt Repayment from Ghana Stabilisation Fund	775,530,399	231,874,456	0
Ghana Petroleum Funds	**-332,370,171**	**-99,374,767**	**-328,770,334**
Transfer to Ghana Petroleum Funds	-1,107,900,570	-331,249,222	-328,770,334
o/w Stabilisation Fund	-775,530,399	-231,874,456	-208,682,738
o/w Heritage Fund	-332,370,171	-99,374,767	-120,087,596
Transfer from Stabilisation Fund	775,530,399	231,874,456	0
Sinking Fund	**-16,094,049,857**	**-15,550,393,914**	**0**
Memorandum items			
Domestic Revenue	70,987,176,840	31,493,895,781	27,856,680,310
(percent of GDP)	16.4	7.3	6.4
Domestic expenditure	66,074,018,095	31,339,397,929	28,526,689,781
(percent of GDP)	15.2	7.2	6.6
Domestic Primary Balance	4,913,158,746	154,497,851	-670,009,471
(percent of GDP)	1.1	0.0	-0.2
Primary Balance	-5,434,099,109	-4,797,405,958	-7,290,152,121
(percent of GDP)	-1.3	-1.11	-1.7
Non-oil Primary Balance	-10,861,157,948	-6,607,783,084	-9,189,760,982
(percent of GDP)	-2.6	-1.6	-2.2
Overall Balance (cash, discrepancy)	-41,297,913,603	-22,725,536,023	-22,314,928,969
(percent of GDP)	-9.5	-5.2	-5.1
Overall Balance (cash, discrepancy, incl. bailout & Bank Capitalisation)	-46,797,913,603	-26,575,536,023	-22,314,928,969
(percent of GDP)	-10.8	-6.1	-5.1
Oil Revenue	5,427,058,839	1,810,377,126	1,899,608,862
(percent of GDP)	1.3	0.4	0.4
Non-Oil Revenue and Grants	67,025,254,156	30,552,085,503	26,404,815,223
(percent of GDP)	15.5	7.0	6.1
Benchmark Oil Revenue	3,693,001,900	1,104,164,074	1,334,306,626
(percent of GDP)	0.9	0.3	0.3
Annual Budget Funding Amount (ABFA)	2,585,101,330	772,914,852	934,014,638
(percent of GDP)	0.6	0.2	0.2
Nominal GDP	**433,685,656,912**	**433,685,656,912**	**433,685,656,912**
Non-Oil Nominal GDP	**423,080,790,650**	**423,080,790,650**	**423,080,790,650**

[1] *2021 Provisional shows a build-up of Govt. Deposits at the Central Bank*

Appendix 2B: Economic Classification of Central Gov't Revenue - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Prog. Q1+Q2	2021 Prov. Q1+Q2
TAX REVENUE	**55,834,841,211**	**25,118,170,797**	**23,279,829,772**
TAXES ON INCOME & PROPERTY	**29,932,715,411**	**12,940,409,013**	**11,632,131,272**
Personal	9,114,860,000	4,404,726,343	3,893,514,720
Self Employed	626,520,000	281,070,445	180,832,404
Companies	14,734,560,000	6,133,924,426	5,120,268,592
Company Taxes on Oil	971,004,440	323,668,147	559,354,359
Others	4,485,770,971	1,797,019,652	1,878,161,197
Other Direct Taxes	3,339,510,971	1,384,622,021	1,548,585,836
o/w Royalties from Oil	1,231,600,971	410,533,657	621,661,461
o/w Mineral Royalties	1,732,910,000	765,474,117	763,890,687
National Fiscal Stabilisation Levy	728,390,000	287,924,793	168,349,625
Finsec clean-up Levy	219,090,000	24,753,035	68,271,239
Airport Tax	198,780,000	99,719,804	92,954,498
TAXES ON DOMESTIC GOODS AND SERVICES	**22,711,940,000**	**10,595,155,336**	**9,792,623,152**
Excises	**5,338,390,000**	**2,755,217,820**	**2,328,941,313**
Excise Duty	696,720,000	337,297,820	188,922,753
Petroleum Tax	4,641,670,000	2,417,920,000	2,140,018,560
o/w Energy Fund levy	49,346,070	24,673,035	24,225,852
o/w Road Fund levy	1,973,033,928	986,516,964	1,064,006,850
VAT	**11,114,380,000**	**5,209,003,105**	**5,123,266,030**
Domestic	6,653,760,000	3,075,053,105	2,797,957,220
External	4,460,620,000	2,133,950,000	2,325,308,810
National Health Insurance Levy (NHIL)	**2,373,880,000**	**1,109,228,615**	**1,020,315,700**
Customs Collection	980,310,000	469,100,000	421,362,108
Domestic Collection	1,393,570,000	640,128,615	598,953,591
GETFund Levy	**2,388,550,000**	**1,116,418,615**	**1,021,098,097**
Customs Collection	994,980,000	476,290,000	422,144,594
Domestic Collection	1,393,570,000	640,128,615	598,953,503
Communication Service Tax	**607,670,000**	**304,901,790**	**213,728,234**
Covid-19 Health Levy	**889,070,000**	**100,385,391**	**85,273,778**
TAXES ON INTERNATIONAL TRADE	**6,613,520,000**	**3,139,030,000**	**3,113,019,943**
Imports	**6,613,520,000**	**3,139,030,000**	**3,113,019,943**
Import Duty	6,613,520,000	3,139,030,000	3,113,019,943
Tax Refunds	-3,423,334,200	-1,556,423,553	-1,257,944,596
SOCIAL CONTRIBUTIONS	**644,970,164**	**322,485,082**	**0**
SSNIT Contribution to NHIL	644,970,164	322,485,082	0
NON-TAX REVENUE	**10,302,234,723**	**4,215,150,105**	**3,327,620,259**
Retention	5,893,772,350	2,527,026,261	1,890,612,230
Lodgement	4,408,462,373	1,688,123,843	1,437,008,028
Fees & Charges	883,559,686	487,260,642	485,310,977
Dividend/Interest & Profits (Others)	100,034,593	38,102,004	171,100,348
Dividend/Interest & Profits from Oil	3,216,308,350	1,072,102,783	713,254,636
Surface Rentals from Oil/PHF Interest	8,145,078	4,072,539	5,338,406
Yield from Capping Policy	200,414,667	86,585,876	62,003,661
OTHER REVENUE	**4,205,130,742**	**1,838,089,797**	**1,249,230,280**
ESLA Proceeds	3,227,209,926	1,605,136,529	1,153,040,147
Energy Debt Recovery Levy	2,158,290,000	1,106,225,609	840,513,491
Public Lighting Levy	273,046,250	135,365,923	0
National Electrification Scheme Levy	176,676,538	81,231,457	0
Price Stabilisation & Recovery Levy	619,197,139	282,313,541	312,526,656
Delta Fund	666,256,700	158,691,238	65,605,490
Pollution and Sanitation Levy	311,664,116	74,262,029	30,584,643
DOMESTIC REVENUE	**70,987,176,840**	**31,493,895,781**	**27,856,680,310**
GRANTS	**1,465,136,154**	**868,566,848**	**447,743,775**
Project Grants	1,465,136,154	868,566,848	447,743,775
Programme Grants	0	0	0
TOTAL REVENUE & GRANTS	**72,452,312,994**	**32,362,462,628**	**28,304,424,085**
Memorandum items			
Taxes on Income and Property (% of GDP)	6.9	3.0	2.7
Non-oil Taxes on Income and Property (% of non-oil G	6.6	2.9	2.5
Taxes on Goods and Services (% of GDP)	5.2	2.4	2.3
Taxes on International Trade (% of GDP)	1.5	0.7	0.7
Tax Revenue (% of GDP)	12.9	5.8	5.4
Non-Oil Tax Revenue (% of non-oil GDP)	12.7	5.8	5.2
Non-Oil Tax Revenue (% of GDP)	12.4	5.6	5.1
Non-Tax Revenue (% of GDP)	2.4	1.0	0.8
Domestic Revenue (% of GDP)	16.4	7.3	6.4
Non-Oil Domestic Revenue	15.5	7.0	6.1
Grants (% of GDP)	0.3	0.2	0.1
Total Revenue and Grants	16.7	7.5	6.5
Non-Oil Tax Revenue (Gross)	57,055,570,000	25,940,392,546.3	23,356,758,547.6
Non-Oil Tax Revenue (Net)	53,632,235,800	24,383,968,994	22,098,813,952
Non-oil Taxes on Income and Property	27,730,110,000	12,206,207,210	10,451,115,453
Import Exemptions	4,011,430,006	832,499,152	1,138,064,452
Benchmark Oil Revenue	3,693,001,900	1,104,164,074	1,334,306,626
Nominal GDP	**433,685,656,912**	**433,685,656,912**	**433,685,656,912**
Non-Oil Nominal GDP	**423,080,790,650**	**423,080,790,650**	**423,080,790,650**

Appendix 2C: Economic Classification of Central Gov't Expenditure - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Prog. Q1+Q2	2021 Prov. Q1+Q2
II EXPENDITURE			
Compensation of Employees	**30,313,597,722**	**15,156,798,861**	**14,690,697,663**
Wages & Salaries	25,798,806,572	12,899,403,286	13,003,059,148
Social Contributions	4,514,791,150	2,257,395,575	1,687,638,515
Pensions	1,651,123,621	825,561,810	612,189,680
Gratuities	515,976,131	257,988,066	147,353,596
Social Security	2,347,691,398	1,173,845,699	928,095,239
Use of Goods and Services	**5,966,791,693**	**2,693,268,777**	**4,402,271,633**
o/w ABFA	775,530,399	231,874,456	280,204,391
Interest Payments	**35,863,814,494**	**17,928,130,065**	**15,024,776,848**
Domestic	28,368,065,813	14,184,032,906	11,887,264,702
External (Due)	7,495,748,681	3,744,097,158	3,137,512,147
Subsidies	**247,678,856**	**112,925,416**	**135,930,772**
Subsidies on Petroleum products	247,678,856	112,925,416	135,930,772
Grants to Other Government Units	**18,081,390,564**	**7,995,336,913**	**5,698,589,402**
National Health Fund (NHF)	1,903,907,554	877,153,301	380,000,000
Ghana Education Trust Fund	1,442,796,479	649,064,412	439,423,696
Road Fund	1,191,805,239	536,152,103	453,439,240
Energy Fund	29,807,346	13,409,298	0
Dist. Ass. Common Fund	2,402,331,910	1,069,814,044	415,037,764
Ghana Infrastructure Investment Fund - GIIF (Capex ABFA)	361,914,186	108,208,079	130,762,049
Retention of Internally-generated funds (IGFs)	5,893,772,350	2,527,026,261	1,890,612,230
Transfer to the National Oil Company from Oil Revenue	1,047,451,904	471,212,513	565,302,236
Other Earmarked Funds	**3,807,603,596**	**1,743,296,902**	**1,424,012,187**
Youth Employment Agency	341,770,747	160,057,280	129,064,101
Student's Loan Trust	3,670,612	1,651,282	1,698,077
ECOWAS Levy		0	0
Ghana EXIM Bank Ltd	192,186,389	86,458,033	121,724,541
Ghana Airport Company Ltd.	198,780,000	99,719,804	92,954,498
Mineral Development Fund	209,351,820	94,180,169	48,867,362
Mineral Income Investment Fund	1,386,328,000	612,379,294	611,112,550
GRA Retention	1,471,891,745	687,220,601	418,591,058
Plastic Waste Recycling Fund	3,624,282	1,630,440	0
Social Benefits	**165,084,002**	**106,902,428**	**0**
Lifeline Consumers of Electricity	165,084,002	106,902,428	0
Other Expenditure	**7,884,158,132**	**3,710,904,827**	**2,788,669,258**
ESLA Transfers	2,979,531,071	1,492,211,113	1,028,029,485
Covid-Related Expenditure	4,509,627,061	2,023,693,714	1,760,639,773
COVID-19 Alleviation Programme (1) (Water&Electricity)	200,000,000	200,000,000	9,060,000
Provision of Health Infrastructure	1,476,308,149	506,597,205	36,000,000
National COVID-19 Response	597,651,913	144,432,546	597,579,773
Seed Fund For Capitalisation of Development Bank	306,370,389	228,132,889	614,000,000
Cost of Economic Revitalization payment	1,000,000,000	325,000,000	379,000,000
Covid-19 Vaccines (Operational & Procurement)	929,296,610	619,531,074	125,000,000
Other Critical spending	395,000,000	195,000,000	0
Capital Expenditure	**11,527,711,135**	**5,358,731,364**	**6,869,783,856**
Domestic financed	**3,415,317,127**	**1,563,260,707**	**1,174,541,789**
o/w MDAs CAPEX ABFA	1,318,401,678	394,186,574	476,347,465
Foreign financed	**8,112,394,008**	**3,795,470,657**	**5,695,242,067**
TOTAL EXPENDITURE	**110,050,226,597**	**53,062,998,651**	**49,610,719,433**

Appendix 2C: Economic Classification of Central Gov't Expenditure - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Prog. Q1+Q2	2021 Prov. Q1+Q2
APPROPRIATION	**129,032,804,201**	**62,655,191,404**	**56,788,803,352**
Total Expenditure	**110,050,226,597**	**53,062,998,651**	**49,610,719,433**
Arrears Clearance (net change)	**3,700,000,000**	**2,025,000,000**	**1,372,644,357**
Amortisation	**15,282,577,604**	**7,567,192,753**	**5,805,439,562**
Memorandum items:			
Compensation of Employees	7.0	3.5	3.4
Wage and Salaries	5.9	3.0	3.0
Wage and Salaries (% of Tax Revenue)	46.2	51.4	55.9
Goods and Services	1.4	0.6	1.0
Interest Payments	8.3	4.1	3.5
Interest Payments (% of non-oil Tax Revenue)	66.9	73.5	68.0
Subsidies	0.1	0.0	0.0
Recurrent Expenditure	20.3	9.9	9.1
Capital Expenditure	2.7	1.2	1.6
Total Capital Expenditure (including those under Grants to other Gov't Units)	4.2	1.9	2.0
Total Expenditure	25.4	12.2	11.4
Total Capital Exp (incl those under Grants to other Gov't Units)	**16,708,596,786**	**7,637,019,723**	**8,472,955,844**
ABFA Capex	**1,809,570,931**	**541,040,396**	**653,810,247**
Annual Budget Funding Amount (ABFA)	**2,585,101,330**	**772,914,852**	**934,014,638**
Benchmark Oil Revenue	**3,693,001,900**	**1,104,164,074**	**1,334,306,626**
Nominal GDP	**433,685,656,912**	**433,685,656,912**	**433,685,656,912**
Non-Oil Nominal GDP	**423,080,790,650**	**423,080,790,650**	**423,080,790,650**

Appendix 3A: Summary of Central Government Operations - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Revised Budget	2021 Adjustment
I. REVENUES			
Total Revenue & Grants	**72,452,312,994**	**72,477,360,379**	**25,047,385**
(per cent of GDP)	16.7	16.5	-0.2
Domestic Revenue	**70,987,176,840**	**71,012,224,225**	**25,047,385**
Tax Revenue	**55,834,841,211**	**55,834,841,211**	**0**
Taxes on Income and Property	**29,932,715,411**	**29,932,715,411**	**0**
Company Taxes	14,734,560,000	14,734,560,000	0
Company Taxes on Oil	971,004,440	971,004,440	0
Other Direct Taxes	14,227,150,971	14,227,150,971	0
Taxes on Domestic Goods and Services	**22,711,940,000**	**22,711,940,000**	**0**
Excises	5,338,390,000	5,338,390,000	0
VAT	11,114,380,000	11,114,380,000	0
National Health Insurance Levy (NHIL)	2,373,880,000	2,373,880,000	0
GETFund Levy	2,388,550,000	2,388,550,000	0
Communication Service Tax	607,670,000	607,670,000	0
Covid-19 Health Levy	889,070,000	889,070,000	0
International Trade Taxes	**6,613,520,000**	**6,613,520,000**	**0**
Import Duties	6,613,520,000	6,613,520,000	0
Tax Refunds	**-3,423,334,200**	**-3,423,334,200**	**0**
Social Contributions	**644,970,164**	**670,017,549**	**25,047,385**
SSNIT Contribution to NHIL	644,970,164	670,017,549	25,047,385
Non-tax revenue	**10,302,234,723**	**10,302,234,723**	**0**
Other Revenue	**4,205,130,742**	**4,205,130,742**	**0**
Grants	**1,465,136,154**	**1,465,136,154**	**0**
Project Grants	1,465,136,154	1,465,136,154	0
Programme Grants	0	0	0
II. EXPENDITURE			
Total Expenditure	**110,050,226,597**	**110,050,226,597**	**0**
(percent of GDP)	25.4	25.0	-0.3
Compensation of Employees	30,313,597,722	31,490,824,819	1,177,227,096
Wages & Salaries	25,798,806,572	26,800,701,973	1,001,895,401
(percent of GDP)	5.9	6.1	0.2
Social Contributions	4,514,791,150	4,690,122,845	175,331,695
Use of Goods and Services	5,966,791,693	8,523,193,118	2,556,401,425
Interest Payments	**35,863,814,494**	**32,528,021,071**	**-3,335,793,423**
Domestic	28,368,065,813	25,032,272,390	-3,335,793,423
External	7,495,748,681	7,495,748,681	0
Subsidies	247,678,856	247,678,856	0
Grants to Other Government Units	18,081,390,564	18,081,390,564	0
Social Benefits	165,084,002	165,084,002	0
Other Expenditure	7,884,158,132	6,791,896,740	-1,092,261,392
ESLA Transfers	2,979,531,071	2,979,531,071	0
Covid-19 Related Expenditures	4,509,627,061	3,812,365,669	-697,261,392
Capital Expenditure	**11,527,711,135**	**12,222,137,429**	**694,426,294**
Domestic Financed	3,415,317,127	4,109,743,421	694,426,294
Foreign Financed	8,112,394,008	8,112,394,008	0
Overall Balance (Commitment)	**-37,597,913,603**	**-37,572,866,218**	**25,047,385**
(percent of GDP)	-8.7	-8.6	0.1
Arrears clearance (net change)	-3,700,000,000	-3,700,000,000	0
Overall Balance (Cash)	**-41,297,913,603**	**-41,272,866,218**	**25,047,385**
(percent of GDP)	-9.5	-9.4	0.1
Discrepancy	0	0	0
Overall balance (incl. Divestiture and Discrepancy)	**-41,297,913,603**	**-41,272,866,218**	**25,047,385**

Appendix 3A: Summary of Central Government Operations - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Revised Budget	2021 Adjustment
Financing	**41,297,913,603**	**41,272,866,218**	**-25,047,385**
Foreign (net)	**15,874,311,384**	**15,874,311,384**	**0**
Borrowing	31,156,888,988	31,156,888,988	0
Project Loans	6,647,257,855	6,647,257,855	0
Programme Loans	0	0	0
Sovereign Bond	24,509,631,133	24,509,631,133	0
Amortisation (due)	-15,282,577,604	-15,282,577,604	0
Domestic (net)	**41,850,022,247**	**26,506,455,404**	**-15,343,566,843**
Banking	22,931,009,279	18,934,797,730	-3,996,211,550
Bank of Ghana	0	0	0
o/w Transfer to GIIF Energy Fund	6,127,407,783	6,127,407,783	0
Comm. Banks	22,931,009,279	18,934,797,730	-3,996,211,550
Non-banks	18,143,482,569	6,796,127,275	-11,347,355,294
Other Domestic	775,530,399	775,530,399	0
o/w from Ghana Stabilisation & Heritage Funds	775,530,399	775,530,399	0
Ghana Petroleum Funds	**-332,370,171**	**-332,370,171**	**0**
Transfer to Ghana Petroleum Funds	-1,107,900,570	-1,107,900,570	0
o/w Stabilisation Fund	-775,530,399	-775,530,399	0
o/w Heritage Fund	-332,370,171	-332,370,171	0
Net Transfer from Ghana Stabilisation & Heritage Funds	775,530,399	775,530,399	0
Sinking Fund	**-16,094,049,857**	**-775,530,399**	**15,318,519,458**
Memorandum items			
Domestic Revenue	70,987,176,840	71,012,224,225	25,047,385
(percent of GDP)	16.4	16.2	-0.2
Domestic expenditure	66,074,018,095	69,409,811,518	3,335,793,423
(percent of GDP)	15.2	15.8	0.6
Domestic Primary Balance	4,913,158,746	1,602,412,708	-3,310,746,038
(percent of GDP)	1.1	0.4	-0.8
Primary Balance	-5,434,099,109	-8,744,845,147	-3,310,746,038
(percent of GDP)	-1.3	-2.0	-0.7
Non-oil Primary Balance	-10,861,157,948	-14,171,903,986	-3,310,746,038
(percent of GDP)	-2.6	-3.3	-0.8
Overall Balance (cash, discrepancy, excl. energy sector payments, finsec bailout)	-41,297,913,603	-41,272,866,218	25,047,385
(percent of GDP)	-9.5	-9.4	0.1
Overall Balance (cash, discrepancy, incl. finsec bailout & Bank Capitalisation)	-46,797,913,603	-46,772,866,218	25,047,385
(percent of GDP)	-10.8	-10.6	0.1
Overall Balance (cash, discrepancy, excl. energy sector payments)	-41,297,913,603	-41,272,866,218	25,047,385
(percent of GDP)	-9.5	-9.4	0.1
Oil Revenue	5,427,058,839	5,427,058,839	0
(percent of GDP)	1.3	1.2	0.0
Non-Oil Revenue and Grants	67,025,254,156	67,050,301,541	25,047,385
(percent of GDP)	15.5	15.3	-0.2
Benchmark Oil Revenue	3,693,001,900	3,693,001,900	0
(percent of GDP)	0.9	0.8	0.0
Annual Budget Funding Amount (ABFA)	2,585,101,330	2,585,101,330	0
(percent of GDP)	0.6	0.6	0.0
Nominal GDP	**433,685,656,912**	**439,381,353,730**	**5,695,696,818**
Non-Oil Nominal GDP	**423,080,790,650**	**426,704,818,540**	**3,624,027,890**

Appendix 3B: Economic Classification Of Central Gov't Revenue - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Revised Budget	2021 Adjustment
NON-OIL TAX REVENUE	**53,632,235,800**	**53,632,235,800**	**0**
TAX REVENUE	**55,834,841,211**	**55,834,841,211**	**0**
TAXES ON INCOME & PROPERTY	**29,932,715,411**	**29,932,715,411**	**0**
Personal	9,114,860,000	9,114,860,000	0
Self Employed	626,520,000	626,520,000	0
Companies	14,734,560,000	14,734,560,000	0
Company Taxes on Oil	971,004,440	971,004,440	0
Others	4,485,770,971	4,485,770,971	0
Other Direct Taxes	3,339,510,971	3,339,510,971	0
o/w Royalties from Oil	1,231,600,971	1,231,600,971	0
o/w Mineral Royalties	1,732,910,000	1,732,910,000	0
National Fiscal Stabilisation Levy	728,390,000	728,390,000	0
Finsec clean-up Levy	219,090,000	219,090,000	0
Airport Tax	198,780,000	198,780,000	0
TAXES ON DOMESTIC GOODS AND SERVICES	**22,711,940,000**	**22,711,940,000**	**0**
Excises	**5,338,390,000**	**5,338,390,000**	**0**
Excise Duty	696,720,000	696,720,000	0
Petroleum Tax	4,641,670,000	4,641,670,000	0
o/w Energy Fund levy	49,346,070	49,346,070	0
o/w Road Fund levy	1,973,033,928	1,973,033,928	0
VAT	**11,114,380,000**	**11,114,380,000**	**0**
Domestic	6,653,760,000	6,653,760,000	0
External	4,460,620,000	4,460,620,000	0
National Health Insurance Levy (NHIL)	**2,373,880,000**	**2,373,880,000**	**0**
Customs Collection	980,310,000	980,310,000	0
Domestic Collection	1,393,570,000	1,393,570,000	0
GETFund Levy	**2,388,550,000**	**2,388,550,000**	**0**
Customs Collection	994,980,000	994,980,000	0
Domestic Collection	1,393,570,000	1,393,570,000	0
Communication Service Tax	**607,670,000**	**607,670,000**	**0**
Covid-19 Health Levy	**889,070,000**	**889,070,000**	**0**
TAXES ON INTERNATIONAL TRADE	**6,613,520,000**	**6,613,520,000**	**0**
Imports	**6,613,520,000**	**6,613,520,000**	**0**
Import Duty	6,613,520,000	6,613,520,000	0
Tax Refunds	**-3,423,334,200**	**-3,423,334,200**	**0**
Tax Refunds	-3,423,334,200	-3,423,334,200	0
SOCIAL CONTRIBUTIONS	**644,970,164**	**670,017,549**	**25,047,385**
SSNIT Contribution to NHIL	644,970,164	670,017,549	25,047,385
NON-TAX REVENUE	**10,302,234,723**	**10,302,234,723**	**0**
Retention	5,893,772,350	5,893,772,350	0
Lodgement	4,408,462,373	4,408,462,373	0
Fees & Charges	883,559,686	883,559,686	0
Dividend/Interest & Profits (Others)	100,034,593	100,034,593	0
Dividend/Interest & Profits from Oil	3,216,308,350	3,216,308,350	0
Surface Rentals from Oil/PHF Interest	8,145,078	8,145,078	0
Yield from Capping IGF	200,414,667	200,414,667	0
OTHER REVENUE	**4,205,130,742**	**4,205,130,742**	**0**
ESLA Proceeds	3,227,209,926	3,227,209,926	0
Energy Debt Recovery Levy	2,158,290,000	2,158,290,000	0
Public Lighting Levy	273,046,250	273,046,250	0
National Electrification Scheme Levy	176,676,538	176,676,538	0
Price Stabilisation & Recovery Levy	619,197,139	619,197,139	0
Delta Fund	666,256,700	666,256,700	0
Pollution and Sanitation Levy	311,664,116	311,664,116	0
DOMESTIC REVENUE	**70,987,176,840**	**71,012,224,225**	**25,047,385**
GRANTS	**1,465,136,154**	**1,465,136,154**	**0**
Project Grants	1,465,136,154	1,465,136,154	0
Programme Grants	0	0	0
TOTAL REVENUE & GRANTS	**72,452,312,994**	**72,477,360,379**	**25,047,385**
Memorandum items			
Taxes on Income and Property (% of GDP)	6.9	6.8	0
Non-oil Taxes on Income and Property (% of non-oil GDP)	6.6	6.5	0
Taxes on Goods and Services (% of GDP)	5.2	5.2	0
Taxes on International Trade (% of GDP)	1.5	1.5	0
Tax Revenue (% of GDP)	12.9	12.7	0
Non-Oil Tax Revenue (% of non-oil GDP)	12.7	12.6	0
Non-Oil Tax Revenue (% GDP)	12.4	12.2	0
Non-Tax Revenue (% of GDP)	2.4	2.3	0
Domestic Revenue (% of GDP)	16.4	16.2	0
Non-Oil Domestic Revenue	15.5	15.4	0
Grants (% of GDP)	0.3	0.3	0
Total Revenue and Grants	16.7	16.5	0
Non-Oil Tax Revenue (Gross)	57,055,570,000	57,055,570,000	0
Non-Oil Tax Revenue (Net)	53,632,235,800	53,632,235,800	0
Non-oil Taxes on Income and Property	27,730,110,000	27,730,110,000	0
Import Exemptions	4,011,430,006	4,011,430,006	0
Benchmark Oil Revenue	3,693,001,900	3,693,001,900	0
Nominal GDP	**433,685,656,912**	**439,381,353,730**	**5,695,696,818**
Non-Oil Nominal GDP	**423,080,790,650**	**426,704,818,540**	**3,624,027,890**

Appendix 3C: Economic Classification of Central Gov't Expenditure - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Revised Budget	2021 Adjustment
II EXPENDITURE			
Compensation of Employees	**30,313,597,722**	**31,490,824,819**	**1,177,227,096**
Wages & Salaries	25,798,806,572.3	26,800,701,973.2	1,001,895,400.9
Social Contributions	4,514,791,150	4,690,122,845	175,331,695
Pensions	1,651,123,621	1,715,244,926	64,121,306
Gratuities	515,976,131	536,014,039	20,037,908
Social Security	2,347,691,398	2,438,863,880	91,172,481
Use of Goods and Services	**5,966,791,693**	**8,523,193,118**	**2,556,401,425**
o/w ABFA	775,530,399	775,530,399	0
Interest Payments	**35,863,814,494**	**32,528,021,071**	**-3,335,793,423**
Domestic	28,368,065,813	25,032,272,390	-3,335,793,423
External (Due)	7,495,748,681	7,495,748,681	0
Subsidies	**247,678,856**	**247,678,856**	**0**
Subsidies on Petroleum products	247,678,856	247,678,856	0
Grants to Other Government Units	**18,081,390,564**	**18,081,390,564**	**0**
National Health Fund (NHF)	1,903,907,554	1,903,907,554	0
Education Trust Fund	1,442,796,479	1,442,796,479	0
Road Fund	1,191,805,239	1,191,805,239	0
Petroleum Related Funds	29,807,346	29,807,346	0
Dist. Ass. Common Fund	2,402,331,910	2,402,331,910	0
Ghana Infrastructure Investment Fund - GIIF (ABFA Capex)	361,914,186	361,914,186	0
Retention of Internally-generated funds (IGFs)	5,893,772,350	5,893,772,350	0
Transfer to the National Oil Company from Oil Revenue	1,047,451,904	1,047,451,904	0
Other Earmarked Funds	**3,807,603,596**	**3,807,603,596**	**0**
Youth Employment Agency	341,770,747	341,770,747	0
Student's Loan Trust	3,670,612	3,670,612	0
Export Development Levy	192,186,389	192,186,389	0
Ghana Airport Authority	198,780,000	198,780,000	0
Mineral Development Fund	209,351,820	209,351,820	0
Mineral Income Investment Fund	1,386,328,000	1,386,328,000	0
GRA Retention	1,471,891,745	1,471,891,745	0
Plastic Waste Recycling Fund	3,624,282	3,624,282	0
Social Benefits	**165,084,002**	**165,084,002**	**0**
Lifeline Consumers of Electricity	165,084,002	165,084,002	0
Other Expenditure	**7,884,158,132**	**6,791,896,740**	**-1,092,261,392**
ESLA Transfers	2,979,531,071	2,979,531,071	0
Covid-19 Related Expenditures	4,509,627,061	3,812,365,669	-697,261,392
COVID-19 Alleviation Programme (Water & Electricity)	200,000,000	200,000,000	0
Provision of Health Infrastructure	1,476,308,149	779,046,757	-697,261,392
National COVID-19 Response	597,651,913	597,651,913	0
Seed Fund For Capitalisation of Development Bank	306,370,389	306,370,389	0
Cost of Economic Revitalization payment	1,000,000,000	1,000,000,000	0
Covid-19 Vaccines (Operational & Procurement)	929,296,610	929,296,610	0
Other Critical spending	395,000,000	0	-395,000,000
Capital Expenditure	**11,527,711,135**	**12,222,137,429**	**694,426,294**
Domestic financed	**3,415,317,127**	**4,109,743,421**	**694,426,294**
o/w MDAs CAPEX ABFA	1,318,401,678	1,318,401,678	0
Foreign financed	**8,112,394,008**	**8,112,394,008**	**0**
TOTAL EXPENDITURE	**110,050,226,597**	**110,050,226,597**	**0**

Appendix 3C: Economic Classification of Central Gov't Expenditure - 2021

In GH¢ unless otherwise stated	2021 Budget	2021 Revised Budget	2021 Adjustment
APPROPRIATION	**129,032,804,201**	**129,032,804,201**	**0**
Total Expenditure	**110,050,226,597**	**110,050,226,597**	**0**
Arrears Clearance (net change)	**3,700,000,000**	**3,700,000,000**	**0**
Amortisation	**15,282,577,604**	**15,282,577,604**	**0**
Memorandum items:			
Compensation of Employees	7.0	7.2	0
Wage and Salaries	5.9	6.1	0
Wage and Salaries (% of Tax Revenue)	46.2	48.0	2
Goods and Services	1.4	1.9	1
Interest Payments	8.3	7.4	-1
Subsidies	0.1	0.1	0
Recurrent Expenditure	20.3	19.9	0
Capital Expenditure	2.7	2.8	0
Total Capital Expenditure (including those under Grants to other Gov't Units)	4.2	4.3	0
Total Expenditure	25.4	25.0	0
Total Capital Exp (incl those under Grants to other Gov't Units)	**16,708,596,786**	**17,403,023,080**	**694,426,294**
ABFA CAPEX	**1,809,570,931**	**1,809,570,931**	**0**
Annual Budget Funding Amount (ABFA)	**2,585,101,330**	**2,585,101,330**	**0**
Benchmark Oil Revenue	**3,693,001,900**	**3,693,001,900**	**0**
Nominal GDP	**433,685,656,912**	**439,381,353,730**	**5,695,696,818**
Non-Oil Nominal GDP	**423,080,790,650**	**426,704,818,540**	**3,624,027,890**

Appendix 4A: Summary of 2020 Budget for COVID-19 Expenditure and Funding Resources

S/n	Item	Amount (GH¢)
1	**Funding /Financing Resources**	**19,300,600,000**
	o/w Allocation for Direct COVID-19 Expenditures	**11,162,000,000**
	o/w Support to Households	*1,717,863,965*
	o/w Health Response - Supplies, Equipment and Relief for Health Workers	*1,522,074,895*
	o/w Health Infrastructure	*600,000,000*
	o/w Security Operations, Evacuations and Coordination	*1,200,061,140*
	o/w Economic Relief, Stabilization And Revitalisation	*5,522,000,000*
	o/w Covid-19 Complementary Releases	*600,000,000*
	o/w General Budget Support*	**8,138,600,000**

NB: *To support general budget execution in lieu of the revenue shortfall arising out of the pandemic

Appendix 4B: Funding Sources for the 2020 Budget following the Impact of the COVID-19 Pandemic

S/N	Funding Source	Programme Supported	Amount (GH¢)
1	GOG Contingency Fund	Covid-19 Alleviation Programme	1,204,000,000
2	World Bank Group Funds - Health Interventions	Emergency Preparedness and Response Plan (EPRP) 1 & 2	1,334,000,000
	o/w GARID CERC (US$65m)	Emergency Preparedness and Response Plan (EPRP) 1 & 2	*377,000,000*
	o/w Fast track Covid-19 Facility (US$35m)		*203,000,000*
	o/w Fast track Covid-19 Additional Facility (US$130m)		*754,000,000*
3	IMF (US$1bn)	2020 Budget Support	5,852,950,000
4	AfDB		405,650,000
5	EU		504,000,000
6	BOG: COVID-19 Bonds		10,000,000,000
	Grand Total		**19,300,600,000**

Appendix 4C: Funding Sources for the 2021 Budget following the Impact of the COVID-19 Pandemic

S/N	Funding Source	Programme Supported	Amount (GH¢)
1	**GoG Financing**	COVID-19 Related Expenditure	**4,509,627,061**
2	**Donor Funds**		**1,783,633,350**
2.1	World Bank Funds -Health Interventions (US$200M)	Emergency Preparedness and Response Plan (EPRP) 2	1,153,000,000
2.2	Korea (US$0.65M) Grant	CHPS+COVID-19 Vaccine Procurement Project	3,747,250
2.3	Korea (US$30M)	Medical Equipment Provision Project in Response to COVID-19	172,950,000
2.4	Korea (US$30M)	COVID-19 Emergency Response Programme	172,950,000
2.5	Germany (EUR40M)	Reform Financing Budget Support	280,986,100
	Total		**6,293,260,411**

Appendix 4D: Expenditure Allocation and Utilisation of 2020 COVID-19 Budget (GH¢ Million)

S/N	COVID-19 Expenditure Update	2020 Budget	Release/ Utilisation	Variance
1	**Support to Households**	**1,718**	**1,550**	**168**
1.1	Provision of 2,744,723 Hot Meals in Accra, Kasoa,Tema and Kumasi during Lockdown at average price of ¢4.37 (includes Transportation)	12	12	0
1.2	Provision of 470,000 Dry Food Packages to Faith Based Organisations for Distribution in Greater Accra and Greater Kumasi (includes repackaging)	42	42	-
1.3	Payment for the provision of Free Water to all Ghanaians (April to September 2020)* By GWCL, CWSA, NGOs	556	456	99
1.4	50% Relief for payment of Electricity Bills for all residential and commercial customers and 100% for lifeline consumers for April to September 2020 (VRA, NeDCo and ECG)	1,108	1,039	69
2	**Health Response - Supplies, Equipment and Relief for Health Workers**	**1,522**	**1,049**	**473**
2.1	50% of Basic Salary as Allowance for Frontline Health Workers (April to September 2020)	80	39	41
2.2	Busing of Health Workers in Accra, Tema, Kumasi & Kasoa to and from work for the duration of the Lockdown by GAPTE (Aayalolo) and Metro Mass Transport	2	2	-
2.3	Procurement of COVID-19 Testing Kits, Testing, Community engagement, communication and quarantine	678	647	31
2.4	Provision of PPEs, Medical Equipment and Treatment For COVID-19	762	361	401
3	**Health Infrastructure**	**600**	**600**	**-**
3.1	Provision of Health Infrastructure (Agenda 111- District and Regional Hospitals)	600	600	-
4	**Security Operations, Evacuations and Coordination**	**1,200**	**875**	**325**
4.1	Field Surveillance, Monitoring, Coordination and Emergency Security Operations	68	68	-
4.2	Support for Governance and Security Issues Arising Due to the Pandemic	1,106	742	364
4.2.1	*o/w Ministry of Interior*	*249*	*185*	*64*
4.2.2	*o/w Ministry of Defence*	*720*	*507*	*213*
4.2.3	*o/w Ministry of National Security*	*135*	*49*	*86*
4.2.4	*o/w Ministry of Justice and Attorney-General*	*2*	*1*	*1*
4.3	Transfer for Evacuation, Mandatory Quarantine of Stranded Ghanaians from UAE, Kuwait, Lebanon, Europe, Americas and other countries**	26	66	(39)
	Other COVID-19 Related Expenditure			
5	**Economic Relief, Stabilization and Revitalisation**	**5,522**	**3,647**	**1,875**
5.1	Soft Loans for Micro, Small & Medium Sized Businesses (CAPBuSS)	600	600	-
5.2	Seed Fund For Capitalisation of Development Bank Ghana	580	280	300
5.3	Ghana CARES Programme	510		510
5.4	Statutory Funds Payments	1,502	1,501	1
5.5	Payment of outstanding Indebtedness for contractors IPCs (Critical Payments)	2,330	1,267	1,063
6	**COVID-19 Complementary Releases**	**600**	**401**	**199**
6.1	Additional Support to EC and NIA to ensure COVID-19 compliant registration and Voting	600	401	199
	Total	**11,162**	**8,122**	**3,040**

NOTES:

1.3* Budget for Free water under CAP was for April-Sept but actual implementation was up to Dec following an Executive Directive, thereby leaving some amount oustanding and due the Water Companies

4.3** The Initial Budget of GH₵26m for the Evacuation and Mandatory quarantine was largely exceeded. The number of people to be evacuated was more than anticipated and therefore funding had to be taken from other lines within the CAP

Appendix 4E: 2021 COVID-19 Expenditure Allocation and Utilisation as at June 2021 (GH¢ Million)

S/N	Items	Budget Allocation	Jan-Jun Releases	Variance	Details Of Expenditure
1	**Total COVID-19 Expenditure**	**5,035**	**2,286**	**2,748**	
1.1	**o/w COVID-19 Related Expenditures (CARES)**	**4,510**	**1,761**	**2,748**	
	Provision of Free Water and Electricity for Lifeline Consumers	200	9	191	Payment for January & February 2021 Free Water for Lifeline Consumers
	o/w Free Water for Lifeline Consumers		9		
	Provision of Health Infrastructure (Agenda 111-District and Regional Hospitals)	1,476	36	1,440	Payment for Consultancy Fees - Design, Project Management and Coordination
	COVID-19 Expenditure on Mass Reopening of Schools and Tertiary Institutions in January	598	598	-	Payment for the Supply of Reusable Nose Masks, Sanitizers, Veronica Buckets and paper towels for the Mass School Reopening
	Ghana CARES Programme	1,306	993	313	
	o/w Seed Fund for Capitalisation of Development Bank Ghana	306	614	(308)	A total amount of GH¢614m was released as Seed Fund for Capitalisation of the Development Bank Ghana
	o/w Cost of Economic Revitalisation payment	1,000	379	621	An amount of GH¢379m released to carry out Ghana CARES activities
	COVID-19 Vaccines (Operational & Procurement)	929	126	804	
	o/w LC for Sputnik V 300,000 doses		16		50% Payment for the Supply of Sputnik Vaccine
	o/w 15% Down Payment for Janssen Sars-Cov 2		109		(15% down payment) for 12,689,062 doses of COVID vaccine as Ghana's allocation from AU (AVAT)
1.2	**o/w Supplementary COVID-19 Expenditure**	**525**	**525**	**-**	
	o/w Partial Reopening of Schools in September	400	400	-	Partial reopening of Schools for final year Students in September 2020
	o/w 50% Allowance to Health workers	11	11	-	Payment to omitted frontline Health workers from April to December 2020
	o/w Provision of Free Water in 2020	114	114	-	Payment of outstanding bills for September and part of October 2020



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